ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು

ಸಂಪುಟ ೧೪೭	ಬೆಂಗಳೂರು, ಗುರುವಾರ, ಡಿಸೆಂಬರ್ ೨೦, ೨೦೧೨, (ಮಾರ್ಗಶಿರ ೨೯, ಶಕ ವರ್ಷ ೧೯೩೪)	ಸಂಚಿಕೆ ೫೦

ಭಾಗ – ೪

ಕೇಂದ್ರದ ವಿಧೇಯಕಗಳು ಮತ್ತು ಅವುಗಳ ಮೇಲೆ ಪರಿಶೀಲನಾ ಸಮಿತಿಯ ವರದಿಗಳು, ಕೇಂದ್ರದ ಅಧಿನಿಯಮಗಳು ಮತ್ತು ಅಧ್ಯಾದೇಶಗಳು, ಕೇಂದ್ರ ಸರ್ಕಾರದವರು ಹೊರಡಿಸಿದ ಸಾಮಾನ್ಯ ಶಾಸನಬದ್ಧ ನಿಯಮಗಳು ಮತ್ತು ಶಾಸನಬದ್ಧ ಆದೇಶಗಳು ಮತ್ತು ರಾಷ್ಟ್ರಪತಿಯವರಿಂದ ರಚಿತವಾಗಿ ರಾಜ್ಯ ಸರ್ಕಾರದವರಿಂದ ಪುನಃ ಪ್ರಕಟವಾದ ಆದೇಶಗಳು

ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಸಚಿವಾಲಯ

ಅಧಿಸೂಚನೆ

ಸಂಖ್ಯೆ: ಸಂವ್ಯಶಾಇ 25 ಕೇಶಾಪ್ರ 2012, ಬೆಂಗಳೂರು, ದಿನಾಂಕ: 31ನೇ ಜುಲೈ, 2012

2012ನೇ ಸಾಲಿನ ಮೇ 28ನೇ ದಿನಾಂಕದ ಭಾರತ ಸರ್ಕಾರದ ಗೆಜೆಟ್‌ನ ವಿಶೇಷ ಸಂಚಿಕೆಯ ಭಾಗ–II ಸೆಕ್ಷನ್ (i)ರಲ್ಲಿ ಪ್ರಕಟವಾದ ಈ ಕೆಳಕಂಡ The Finance Act, 2012 (No. 23 of 2012) ಅನ್ನು ಸಾರ್ವಜನಿಕರ ಮಾಹಿತಿಗಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರದಲ್ಲಿ ಮರು ಪ್ರಕಟಿಸಲಾಗಿದೆ.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

The following Act of Parliament received the assent of the President on the 28th May, 2012 and is hereby published for general information.

THE FINANCE ACT, 2012

NO. 23 OF 2012

28th May, 2012

An Act to give effect to the financial proposals of the Central Government for the financial year 2012-2013.

BE it enacted by Parliament in the Sixty-third Year of the Republic of India as follows : -

CHAPTER I

Preliminary

1. Short title and commencement. (1) This Act may be called the Finance Act, 2012.

(2) Save as otherwise provided in this Act, sections 2 to 118 shall be deemed to have come into force on the 1st day of April, 2012.

CHAPTER II

Rates of Income-tax

2. Income-tax-(1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2012, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased by a surcharge, for purposes of the Union, calculated in each case in the manner provided therein.

(2) In the cases to which Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds one lakh eighty thousand rupees, then, -

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first one lakh eighty thousand rupees of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:-

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of one lakh eighty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income:

Provided that in the case of every woman, resident in India and below the age of sixty years at any time during the previous year, referred to in item (II) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "one lakh eighty thousand rupees", the words "one lakh ninety thousand rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (III) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words *"one lakh eighty thousand rupees"*, the words "two lakh fifty thousand rupees" had been substituted:

Provided also that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (IV) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words *"one lakh eighty thousand rupees"*, the words "five lakh rupees" had been substituted.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act, 1961 **(43 of 1961.)** (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be:-

Provided that the amount of income-tax computed in accordance with the provisions of section 111A or section 112 shall be increased by a surcharge, for purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part I of the First Schedule:

Provided further that in respect of any income chargeable to tax under sections 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BB, 115BBA, 115BBC, 115BBD, 115E and 115JB of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for purposes of the Union, calculated,-

(a) in the case of a domestic company, at the rate of five per cent. of such income-tax where the total income exceeds one crore rupees;

(b) in the case of every company, other than a domestic company, at the rate of two per cent. of such income-tax where the total income exceeds one crore rupees;

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as income-tax and surcharge on such income-tax shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

(4) In cases in which tax has to be charged and paid under section 115-O or sub-section (2) of section 115R of the Income-tax Act, the tax shall be charged and paid at the rates as specified in those sections and shall be increased by a surcharge, for purposes of the Union, calculated at the rate of five per cent of such tax.

(5) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased by a surcharge, for purposes of the Union, calculated in cases wherever prescribed, in the manner provided therein.

(6) In cases in which tax has to be deducted under sections 194C, 194E, 194EE, 194F, 194G, 194H, 194-I, 194J, 194LA, 194LB, 194LC, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge, for purposes of the Union, in the case of every company, other than a domestic company, calculated at the rate of two per cent of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees.

(7) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased by a surcharge, for purposes of the Union, calculated, in cases wherever prescribed, in the manner provided therein.

(8) In cases in which tax has to be collected under section 206C of the Income-tax Act, the collection shall be made at the rates specified in that section and shall be increased by a surcharge, for purposes of the Union, in the case of every company, other than a domestic company, calculated at the rate of two per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees.

(9) Subject to the provisions of sub-section (10), in cases in which income-tax has to be charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head "Salaries" under section 192 of the said Act or in which the *"advance tax"* payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, *"advance tax"* shall be so charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased by a surcharge, for purposes of the Union, calculated in such cases and in such manner as provided therein:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that the amount of *"advance tax"* computed in accordance with the provisions of section 111A or section 112 of the Income-tax Act shall be increased by a surcharge, for purposes of the Union, as provided in Paragraph E of Part III of the First Schedule pertaining to the case of a company:

Provided also that in respect of any income chargeable to tax under sections 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BB, 115BBA, 115BBC, 115BBD, 115BBE, 115E and 115JB of the Income-tax Act, *"advance tax"* computed under the first proviso shall be increased by a surcharge, for purposes of the Union, calculated,-

(a) in the case of every domestic company, at the rate of five per cent. of such "advance tax" where the total income exceeds one crore rupees;

(b) in the case of every company, other than a domestic company, at the rate of two per cent. of such "advance tax" where the total income exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as *"advance tax"* on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

(10) In cases to which Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds two lakh rupees, then, in charging income-tax under sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or in computing the *"advance tax"* payable under Chapter XVII-C of the said Act, at the rate or rates in force,-

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh rupees of the total income but without being liable to tax], only for the purpose of charging or computing such income-tax or, as the case may be, *"advance tax"* in respect of the total income; and

(b) such income-tax or, as the case may be, *"advance tax"* shall be so charged or computed as follows:-

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or *"advance tax"* shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of two lakh rupees, and the amount of income-tax or *"advance tax"* shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income were the total income;

(iii) the amount of income-tax or *"advance tax"* determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, *"advance tax"* determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh rupees", the words *"two lakh fifty thousand rupees"* had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words *"two lakh rupees"*, the words "five lakh rupees" had been substituted.

(11) The amount of income-tax as specified in sub-sections (1) to (10) and as increased by the applicable surcharge, for purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for purposes of the Union, to be called the *"Education Cess on income-tax"*, calculated at the rate of two per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance universalised quality basic education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(12) The amount of income-tax as specified in sub-sections (1) to (10) and as increased by the applicable surcharge, for purposes of the Union, calculated in the *manner provided therein, shall also be increased by an additional surcharge, for purposes of the Union, to be called the "Secondary and Higher Education Cess on income-tax"*, calculated at the rate of one per cent of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance secondary and higher education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in subsections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(13) For the purposes of this section and the First Schedule,-

(a) *"domestic company"* means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act, for the assessment year commencing on the 1st day of April, 2012, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income;

(b) *"insurance commission"* means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(c) *"net agricultural income"*, in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(d) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

3. Amendment of section 2.-In section 2 of the Income-tax Act,-

(i) in clause (14), at the end, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1962, namely:-

'Explanation.- For the removal of doubts, it is hereby clarified that "property" includes and shall be deemed to have always included any rights in or in relation to an Indian company, including rights of management or control or any other rights whatsoever;'

(ii) in clause (16), after the words "Commissioner of Income-tax", the words "or a Director of Income-tax" shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1988;

(iii) in clause (19AA), in sub-clause (iv), for the words *"proportionate basis"*, the words *"proportionate basis except where the resulting company itself is a shareholder of the demerged company"* shall be substituted with effect from the 1st day of April, 2013;

(iv) in clause (24), after sub-clause (xv), the following sub-clause shall be inserted with effect from the 1st day of April, 2013, namely : -

"(xvi) any consideration received for issue of shares as exceeds the fair market vlaue of the shares referred to in clause (viib) of sub-section (2) of section 56;";

(v) in clause (47), the *Explanation shall be numbered as Explanation* 1 thereof and after Explanation 1 as so numbered, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1962, namely:-

"Explanation 2.- For the removal of doubts, it is hereby clarified that "transfer" includes and shall be deemed to have always included disposing of or parting with an asset or any interest therein, or creating any interest in any asset in any manner whatsoever, directly or indirectly, absolutely or conditionally, voluntarily or involuntarily, by way of an agreement (whether entered into in India or outside India) or otherwise, notwithstanding that such transfer of rights has been characterised as being effected or dependent upon or flowing from the transfer of a share or shares of a company registered or incorporated outside India".

4. Amendment of section 9.- In section 9 of the Income-tax Act, in sub-section (1),-

(a) in clause (i), after Explanation 3, the following Explanations shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1962, namely:-

'Explanation 4.- For the removal of doubts, it is hereby clarified that the expression "through" shall mean and include and shall be deemed to have always meant and included "by means of", "in consequence of" or "by reason of".

Explanation 5.- For the removal of doubts, it is hereby clarified that an asset or a capital asset being any share or interest in a company or entity registered or incorporated outside India shall be deemed to be and shall always be deemed to have been situated in India, if the share or interest derives, directly or indirectly, its value substantially from the assets located in India.';

(b) in clause (vi), after Explanation 3, the following Explanations shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 1976, namely:-

'Explanation 4.- For the removal of doubts, it is hereby clarified that the transfer of all or any rights in respect of any right, property or information includes and has always included transfer of all or any right for use or right to use a computer software (including granting of a licence) irrespective of the medium through which such right is transferred.

Explanation 5.- For the removal of doubts, it is hereby clarified that the royalty includes and has always included consideration in respect of any right, property or information, whether or not-

(a) the possession or control of such right, property or information is with the payer;

(b) such right, property or information is used directly by the payer;

(c) the location of such right, property or information is in India.

Explanation 6.- For the removal of doubts, it is hereby clarified that the expression "process" includes and shall be deemed to have always included transmission by satellite (including up-linking, amplification, conversion for down-linking of any signal), cable, optic fibre or by any other similar technology, whether or not such process is secret;'.

5. Amendment of section 10. -In section 10 of the Income-tax Act,-

(A) in clause (10D), with effect from the 1st day of April, 2013,-

(i) in sub-clause (c),-

(I) after the words, figures and letters "the 1st day of April, 2003", the words, figures and letters "but on or before the 31st day of March, 2012" shall be inserted;

(II) for the. word "assured", the words "assured; or" shall be substituted;

(ii) after sub-clause (c) and before the first proviso, the following sub-clause shall be inserted, namely:-

"(d) any sum received under an insurance policy issued on or after the 1st day of April, 2012 in respect of which the premium payable for any of the years during the term of the policy exceeds ten per cent of the actual capital sum assured:";

(iii) in the first proviso, for the words "this sub-clause", the words, brackets and letters "sub-clauses (c) and (d)" shall be substituted;

(iv) in the second proviso, for the words "this sub-clause", the word, brackets and letter "sub-clause (c)" shall be substituted;

(v) the Explanation shall be numbered as Explanation 1 thereof and after Explanation 1 as so numbered, the following Explanation shall be inserted, namely:-

'*Explanation 2.-* For the purposes of sub-clause (d), the expression "actual capital sum assured" shall have the meaning assigned to it in the Explanation to sub-section (3A) of section 80C;';

(B) in clause (23C), after the sixteenth proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2009, namely:-

"Provided also that the income of a trust or institution referred to in sub-clause (iv) or sub-clause (v) shall be included in its total income of the previous year if the provisions of the first proviso to clause (15) of section 2 become applicable to such trust or institution in the said previous year, whether or not any approval granted or notification issued in respect of such trust or institution has been withdrawn or rescinded;";

(C) after clause (23BBG), the following clause shall be inserted with effect from the 1st day of April, 2013, namely : -

"(23BBH) any income of the Prasar Bharati (Broadcasting Corporation of India) established under sub-section (1) of section 3 of the Prasar Bharati (Broadcasting Corporation of India) Act, 1990 (25 of 1990);";

(D) in clause (23FB), in Explanation 1, for clause (c), the following clause shall be substituted with effect from the 1st day of April, 2013, namely:-

'(c) "venture capital undertaking" means a venture capital undertaking referred to in the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992);';

(E) after clause (47), the following clause shall be inserted with effect from the 1st day of April, 2012, namely:-

"(48) any income received in India in Indian currency by a foreign company on account of sale of crude oil to any person in India:

Provided that-

(i) receipt of such income in India by the foreign company is pursuant to an agreement or an arrangement entered into by the Central Government or approved by the Central Government;

(ii) having regard to the national interest, the foreign company and the agreement or arrangement are notified by the Central Government in this behalf; and

(iii) the foreign company is not engaged in any activity, other than receipt of such income, in India.".

6. Amendment of section 13. -In section 13 of the Income-tax Act, after sub-section (7) and before Explanation 1, the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2009, namely:-

"(8) Nothing contained in section 11 or section 12 shall operate so as to exclude any income from the total income of the previous year of the person in receipt thereof if the provisions of the first proviso to clause (15) of section 2 become applicable in the case of such person in the said previous year.".

7. Amendment of section 32.-In section 32 of the Income-tax Act, in sub-section (1), in clause (iia), after the words "any article or thing", the words "or in the business of generation or generation and distribution of power" shall be inserted with effect from the 1st day of April, 2013.

8. Amendment of section 35. In section 35 of the Income-tax Act, in sub-section (2AB), in clause (5), for the words, figures and letters "the 31st day of March, 2012", the words, figures and letters "the 31st day of March, 2017" shall be substituted with effect from the 1st day of April, 2013.

9. Amendment of section 35AD.-In section 35AD of the Income-tax Act,-

(a) after sub-section (1), the following sub-section shall be inserted with effect from the 1st day of April, 2013, namely:-

"(1A) Where the specified business is of the nature referred to in sub-clause (i) or sub-clause (ii) or sub-clause (v) or sub-clause (vii) or sub-clause (viii) of clause (c) of sub-section (8) and has commenced its operations on or after the 1st day of April, 2012, the deduction under sub-section (1) shall be allowed of an amount equal to one and one-half times of the expenditure referred to therein.";

(b) in sub-section (5), with effect from the 1st day of April, 2013,-

(A) in clause (ae), the word "and" shall be omitted;

(B) after clause (ae), the following clauses shall be inserted, namely:-

"(af) on or after the 1st day of April, 2012, where the specified business is in the nature of setting up and operating an inland container depot or a container freight station notified or approved under the Customs Act, 1962; **(52 of 1962.)**

(ag) on or after the 1st day of April, 2012, where the specified business is in the nature of bee-keeping and production of honey and beeswax;

(ah) on or after the 1st day of April, 2012, where the specified business is in the nature of setting up and operating a warehousing facility for storage of sugar; and";

(C) in clause (b), for the words, brackets and letters "clause (a), clause (aa), clause (ab) and clause (ac)", the words "any of the above clauses" shall be substituted;

(c) after sub-section (6), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2011, namely:-

"(6A) Where the assessee builds a hotel of two-star or above category as classified by the Central Government and subsequently, while continuing to own the hotel, transfers the operation thereof to another person, the assessee shall be deemed to be carrying on the specified business referred to in sub-clause (iv) of clause (c) of sub-section (8).";

(d) in sub-section (8), in clause (c), after sub-clause (viii), the following sub-clauses shall be inserted with effect from the 1st day of April, 2013, namely:-

"(ix) setting up and operating an inland container depot or a container freight station notified or approved under the Customs Act, 1962; ***(52 of 1962.)***

(x) bee-keeping and production of honey and beeswax;

(xi) setting up and operating a warehousing facility *for storage of sugar;".*

10. Insertion of new sections 35CCC and 35CCD.-After section 35CCB of the Income-tax Act, the following sections shall be inserted with effect from the 1st day of April, 2013, namely:-

"35CCC. (1) Where an assessee incurs any expenditure on agricultural extension project notified by the Board in this behalf in accordance with the guidelines as may be prescribed, then, there shall be allowed a deduction of a sum equal to one and one-half times of such expenditure. (**Expenditure on agricultural extension project.)**

(2) Where a deduction under this section is claimed and allowed for any assessment year in respect of any expenditure referred to in sub-section (1), deduction shall not be allowed in respect of such expenditure under any other provisions of this Act for the same or any other assessment year.

35CCD. (1) Where a company incurs any expenditure (not being expenditure in the nature of cost of any land or building) on any skill development project notified by the Board in this behalf in accordance with the guidelines as may be prescribed, then, there shall be allowed a deduction of a sum equal to one and one-half times of such expenditure. **(Expenditure on skill development project.)**

(2) Where a deduction under this section is claimed and allowed for any assessment year in respect of any expenditure referred to in sub-section (1), deduction shall not be allowed in respect of such expenditure under any other provisions of this Act for the same or any other assessment year.".

11. Amendment of section 40.- In section 40 of the Income-tax Act, in clause (a), in sub-clause (ia), after the proviso and before the Explanation, the following proviso shall be inserted with effect from the 1st day of April, 2013, namely:-

"Provided further that where an assessee fails to deduct the whole or any part of the tax in accordance with the provisions of Chapter XVII-B on any such sum but is not deemed to be an assessee in default under the first proviso to sub-section (1) of section 201, then, for the purpose of this sub-clause, it shall be deemed that the assessee has deducted and paid the tax on such sum on the date of furnishing of return of income by the resident payee referred to in the said proviso.".

12. Amendment of section 40A.-In section 40A of the Income-tax Act, in sub-section (2), with effect from the 1st day of April, 2013,-

(i) in clause (a), the following proviso shall be inserted, namely:-

"Provided that no disallowance, on account of any expenditure being excessive or unreasonable having regard to the fair market value, shall be made in respect of a specified domestic transaction referred to in section 92BA, if such transaction is at arm's length price as defined in clause (ii) of section 92F.";

(ii) in clause (b), in sub-clause (iv), after the words "or any relative of such director, partner or member", the words "or any other company carrying on business or profession in which the first mentioned company has substantial interest" shall be inserted.

13. Amendment of section 44AB.-In section 44AB of the Income-tax Act,-

(i) in clause (a), for the words *"sixty lakh rupees"*, the words *"one crore rupees"* shall be substituted with effect from the 1st day of April, 2013;

(ii) in clause (b), for the words *"fifteen lakh rupees"*, the words *"twenty-five lakh rupees"* shall be substituted with effect from the 1st day of April, 2013;

(iii) in the Explanation, in clause (ii), for the words, figures and letters *"the 30th day of September of the assessment year"*, the words, brackets and figures "the due date for furnishing the return of income under sub-section (1) of section 139" shall be substituted.

14. Amendment of section 44AD.-In section 44AD of the Income-tax Act,-

(a) after sub-section (5), and before the Explanation, the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2011, namely:-

"(6) The provisions of this section, notwithstanding anything contained in the foregoing provisions, shall not apply to-

(i) a person carrying on profession as referred to in sub-section (1) of section 44AA;

(ii) a person earning income in the nature of commission or brokerage; or

(iii) a person carrying on any agency business.";

(b) in the Explanation, in clause (b), in sub-clause (ii), for the words "sixty lakh rupees", the words "one crore rupees" shall be substituted with effect from the 1st day of April, 2013.

15. Amendment of section 47.-In section 47 of the Income-tax Act, in clause (vii), in sub-clause (a), for the words *"amalgamated company, and"*, the words "amalgamated company except where the shareholder itself is the amalgamated company, and" shall be substituted with effect from the 1st day of April, 2013.

16. Amendment of section 49. - In section 49 of the Income-tax Act, in sub-section (1), in clause (iii), in sub-clause (e), for the words, brackets, figures and letter "clause (xiiib) of section 47", the words, brackets, figures and letter "clause (xiii) or clause (xiiib) or clause (xiv) of section 47" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1999.

17. Insertion of new section 50D. -After section 50C of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2013, namely:-

"50D. **Fair market value deemed to be full value of consideration in certain cases.-***Where the consideration received or accruing as a result of the transfer of a capital asset by an assessee is not ascertainable or cannot be determined, then, for the purpose of computing income chargeable to tax as capital gains, the fair market value of the said asset on the date of transfer shall be deemed to be the full value of the consideration received or accruing as a result of such transfer.".*

18. Amendment of section 54B.- In section 54B of the Income-tax Act, in sub-section (1), for the words "the assessee or a parent of his", the words *"the assessee being an individual or his parent, or a Hindu undivided family"* shall be substituted with effect from the 1st day of April, 2013.

19. Insertion of new section 54GB.-After section 54GA of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2013, namely:-

'54GB. Capital gain on transfer of residential property not to be charged in certain cases.-(1) Where,-

(i) the capital gain arises from the transfer of a long-term capital asset, being a residential property (a house or a plot of land), owned by the eligible assessee (herein referred to as the assessee); and

(ii) the assessee, before the due date of furnishing of return of income under sub-section (1) of section 139, utilises the net consideration for subscription in the equity shares of an eligible company (herein referred to as the company); and

(iii) the company has, within one year from the date of subscription in equity shares by the assessee, utilised this amount for purchase of new asset, then, instead of the capital gain being charged to income-tax as the income of the previous year in which the transfer takes place, it shall be dealt with in accordance with the following provisions of this section, that is to say,-

(a) if the amount of the net consideration is greater than the cost of the new asset, then, so much of the capital gain as it bears to the whole of the capital gain the same proportion as the cost of the new asset bears to the net consideration, shall not be charged under section 45 as the income of the previous year; or

(b) if the amount of the net consideration is equal to or less than the cost of the new asset, the capital gain shall not be charged under section 45 as the income of the previous year.

(2) The amount of the net consideration, which has been received by the company for issue of shares to the assessee, to the extent it is not utilised by the company for the purchase of the new asset before the due date of furnishing of the return of income by the assessee under section 139, shall be deposited by the company, before the said due date in an account in any such bank or institution as may be specified and shall be utilised in accordance with any scheme which the Central Government may, by notification in the Official Gazette, frame in this behalf and the return furnished by the assessee shall be accompanied by proof of such deposit having been made.

(3) For the purposes of sub-section (1), the amount, if any, already utilised by the company for the purchase of the new asset together with the amount deposited under sub-section (2) shall be deemed to be the cost of the new asset:

Provided that if the amount so deposited is not utilised, wholly or partly, for the purchase of the new asset within the period specified in sub-section (1), then,-

(i) the amount by which-

(a) the amount of capital gain arising from the transfer of the residential property not charged under section 45 on the basis of the cost of the new asset as provided in sub-section (1), exceeds-

(b) the amount that would not have been so charged had the amount actually utilised for the purchase of the new asset within the period specified in sub-section (1) been the cost of the new asset,

shall be charged under section 45 as income of the assessee for the previous year in which the period of one year from the date of the subscription in equity shares by the assessee expires; and

(ii) the company shall be entitled to withdraw such amount in accordance with the scheme.

(4) If the equity shares of the company or the new asset acquired by the company are sold or otherwise transferred within a period of five years from the date of their acquisition, the amount of capital gain arising from the transfer of the residential property not charged under section 45 as provided in sub-section (1) shall be deemed to be the income of the assessee chargeable under the head "capital gains" of the previous year in which such equity shares or such new asset are sold or otherwise transferred, in addition to taxability of gains, arising on account of transfer of shares or of the new asset, in the hands of the assessee or the company, as the case may be.

(5) The provisions of this section shall not apply to any transfer of residential property made after the 31st day of March, 2017.

(6) For the purposes of this section,-

(a) *"eligible assessee"* means an individual or a Hindu undivided family;

(b) *"eligible company"* means a company which fulfils the following conditions, namely:-

(i) it is a company incorporated in India during the period from the 1st day of April of the previous year relevant to the assessment year in which the capital gain arises to the due date of furnishing of return of income under sub-section (1) of section 139 by the assessee;

(ii) it is engaged in the business of manufacture of an article or a thing;

(iii) it is a company in which the assessee has more than fifty per cent share capital or more than fifty per cent voting rights after the subscription in shares by the assessee; and

(iv) it is a company which qualifies to be a small or medium enterprise under the Micro, Small and Medium Enterprises Act, 2006; **(27 of 2006.)**

(c) *"net consideration"* shall have the meaning assigned to it in the Explanation to section 54F;

(d) *"new asset"* means new plant and machinery but does not include-

(i) any machinery or plant which, before its installation by the assessee, was used either within or outside India by any other person;

(ii) any machinery or plant installed in any office premises or any residential accommodation, including accommodation in the nature of a guest-house;

(iii) any office appliances including computers or computer software;

(iv) any vehicle; or

(v) any machinery or plant, the whole of the actual cost of which is allowed as a deduction (whether by way of depreciation or otherwise) in computing the income chargeable under the head "Profits and gains of business or profession" of any previous year.'.

20. Amendment of section 55A.-In section 55A of the Income-tax Act, in clause (a), for the words "is less than its fair market value", the words "is at variance with its fair market value" shall be substituted with effect from the 1st day of July, 2012.

21. Amendment of section 56.-In section 56 of the Income-tax Act, in sub-section (2),-

(A) in clause (vii), in the Explanation, for clause (e), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of October, 2009, namely:-

'(e) "relative" means,-

(i) in case of an individual-

(A) spouse of the individual;

(B) brother or sister of the individual;

(C) brother or sister of the spouse of the individual;

(D) brother or sister of either of the parents of the individual;

(E) any lineal ascendant or descendant of the individual;

(F) any lineal ascendant or descendant of the spouse of the individual;

(G) spouse of the person referred to in items (B) to (F); and

(ii) in case of a Hindu undivided family, any member thereof;';

(B) after clause (viia), the following shall be inserted with effect from the 1st day of April, 2013, namely:-

'(viib) where a company, not being a company in which the public are substantially interested, receives, in any previous year, from any person being a resident, any consideration for issue of shares that exceeds the face value of such shares, the aggregate consideration received for such shares as exceeds the fair market value of the shares:

Provided that this clause shall not apply where the consideration for issue of shares is received -

(i) by a venture capital undertaking from a venture capital company or a venture capital fund; or

(ii) by a company from a class or classes of persons as may be notified by the Central Government in this behalf.

Explanation.-For the purposes of this clause,-

(a) the fair market value of the shares shall be the value-

(i) as may be determined in accordance with such method as may be prescribed; or

(ii) as may be substantiated by the company to the satisfaction of the Assessing Officer, based on the value, on the date of issue of shares, of its assets, including intangible assets being goodwill, know-how, patents, copyrights, trademarks, licences, franchises or any other business or commercial rights of similar nature,

whichever is higher;

(b) *"venture capital company"*, *"venture capital fund"* and *"venture capital undertaking"* shall have the meanings respectively assigned to them in clause (a), clause (b) and clause (c) of Explanation 1 to clause (23FB) of section 10;'.

22. Amendment of section 68.-In section 68 of the Income-tax Act, the following provisos shall be inserted with effect from the 1st day of April, 2013, namely:-

"Provided that where the assessee is a company, (not being a company in which the public are substantially interested) and the sum so credited consists of share application money, share capital, share premium or any such amount by whatever name called, any explanation offered by such assessee-company shall be deemed to be not satisfactory, unless-

(a) the person, being a resident in whose name such credit is recorded in the books of such company also offers an explanation about the nature and source of such sum so credited; and

(b) such explanation in the opinion of the Assessing Officer aforesaid has been found to be satisfactory:

Provided further that nothing contained in the first proviso shall apply if the person, in whose name the sum referred to therein is recorded, is a venture capital fund or a venture capital company as referred to in clause (23FB) of section 10.".

23. Amendment of section 80A.-In section 80A of the Income-tax Act, in sub-section (6), in the Explanation, after clause (ii), the following clause shall be inserted with effect from the 1st day of April, 2013, namely:-

"(iii) in relation to any goods or services sold, supplied or acquired means the arm's length price as defined in clause (ii) of section 92F of such goods or services, if it is a specified domestic transaction referred to in section 92BA.".

24. Amendment of section 80C.-In section 80C of the Income-tax Act, with effect from the 1st day of April, 2013,-

(i) in sub-section (3), for the words "insurance policy other than a contract for a deferred annuity", the words, figures and letters *"insurance policy, other than a contract for a deferred annuity, issued on or before the 31st day of March, 2012,"* shall be substituted;

(ii) after sub-section (3), the following shall be inserted, namely:-

'(3A) The provisions of sub-section (2) shall apply only to so much of any premium or other payment made on an insurance policy, other than a contract for a deferred annuity, issued on or after the 1st day of April, 2012 as is not in excess of ten per cent of the actual capital sum assured.

Explanation.- For the purposes of this sub-section, *"actual capital sum assured*" in relation to a life insurance policy shall mean the minimum amount assured under the policy on happening of the insured event at any time during the term of the policy, not taking into account-

(i) the value of any premium agreed to be returned; or

(ii) any benefit by way of bonus or otherwise over and above the sum actually assured, which is to be or may be received under the policy by any person.'.

25. Insertion of new section 80CCG.-After section 80CCF of the Income Tax Act, the following section shall be inserted with effect from the 1st day of April, 2013, namely : -

"80CCG. Deduction in respect of investment made under an equity savings scheme.- (1) Where an assessee, being a resident individual, has, in a previous year, acquired listed equity shares in accordance with a scheme, as may be notified by the Central Govt in this behalf, he shall, subject to the provisions of sub-section (3), be allowed a deduction, in the computation of this total income of the assessment year relevant to such previous year, of fifty per cent. of the amount invested in such equity shares to the extent such deduction does not exceed twenty-five thousand rupees.

(2) Where as assessee has claimed and allowed a deduction under this section for any assessment year in respect of any amount, he shall not be allowed any deduction under this section for any subsequent assessment year.

(3) The deduction under sub-section (1) shall be subject to the following conditions, namely : -

(i) the gross total income of the assessee for the relevant assessment year shall not exceed ten lakh rupees;

(ii) the assessee is a new retail investor as may be specified under the scheme referred to in sub-section (1);

(iii) the investment is made in such listed equity shares as may be specified under the scheme referred to in sub-section (1);

(iv) the investment is locked-in for a period of three years from the date of acquisition in accordance with the scheme referred to in sub-section (1); and

(v) such other condition as may be prescribed.

(4) If the assessee, in any previous year, fails to comply with any condition specified in sub-section (3), the deduction originally allowed shall be deemed to be the income of the assessee of such previous year and shall be liable to tax for the assessment year relevant to such previous year.".

26. Amendment of section 80D.-In section 80D of the Income-tax Act, with effect from the 1st day of April, 2013,-

(a) in sub-section (1), for the words", other than cash,", the words, brackets, figure and letter "as specified in sub-section (2B)," shall be substituted;

(b) in sub-section (2),-

(A) in clause (a), after the words *"the Central Government Health Scheme"*, the words *"or any payment made on account of preventive health check-up of the assessee or his family"* shall be inserted;

(B) in clause (b), after the words "parents of the assessee", the words "or any payment made on account of preventive health check-up of the parent or parents of the assessee" shall be inserted;

(c) after sub-section (2), the following sub-sections shall be inserted, namely:-

"(2A) Where the amounts referred to in clauses (a) and (b) of sub-section (2) are paid on account of preventive health check-up, the deduction for such amounts shall be allowed to the extent it does not exceed in the aggregate five thousand rupees.

(2B) For the purposes of deduction under sub-section (1), the payment shall be made by-

(i) any mode, including cash, in respect of any sum paid on account of preventive health check-up;

(ii) any mode other than cash in all other cases not falling under clause (i).";

(d) in sub-section (4), in the Explanation, for the words "sixty-five years", the words "sixty years" shall be substituted.

27. Amendment of section 80DDB.-In section 80DDB of the Income-tax Act, in the Explanation, in clause (iv), for the words "sixty-five years", the words "sixty years" shall be substituted with effect from the 1st day of April, 2013.

28. Amendment of section 80G.-In section 80G of the Income-tax Act, after sub-section (5C), the following sub-section shall be inserted with effect from the 1st day of April, 2013, namely:-

"(5D) No deduction shall be allowed under this section in respect of donation of any sum exceeding ten thousand rupees unless such sum is paid by any mode other than cash.".

29. Amendment of section 80GGA.-In section 80GGA of the Income-tax Act, after sub-section (2), the following sub-section shall be An inserted with effect from the 1st day of April, 2013, namely:-

"(2A) No deduction shall be allowed under this section in respect of any sum exceeding ten thousand rupees unless such sum is paid by any mode other than cash."

30. Amendment of section 80-IA.-In section 80-IA of the Income-tax Act, with effect from the 1st day of April, 2013,-

(a) in sub-section (4), in clause (iv), for the words, figures and letters "the 31st day of March, 2012", wherever they occur, the words, figures and letters "the 31st day of March, 2013" shall respectively be substituted;

(b) in sub-section (8), for the Explanation, the following Explanation shall be substituted, namely:-

'Explanation.-For the purposes of this sub-section, "market value", in relation to any goods or services, means-

(i) the price that such goods or services would ordinarily fetch in the open market; or

(ii) the arm's length price as defined in clause (ii) of section 92F, where the transfer of such goods or services is a specified domestic transaction referred to in section 92BA.';

(c) in sub-section (10), the following proviso shall be inserted, namely:-

"Provided that in case the aforesaid arrangement involves a specified domestic transaction referred to in section 92BA, the amount of profits from such transaction shall be determined having regard to arm's length price as defined in clause (ii) of section 92F.".

31. Insertion of new Part.-In Chapter VI-A of the Income-tax Act, after Part C, the following Part shall be inserted with effect from the 1st day of April, 2013, namely:-

'CA.- Deductions in respect of other incomes

80TTA. Deduction in respect of interest on deposits in savings account.-(1) Where the gross total income of an assessee, being an individual or a Hindu undivided family, includes any income by way of interest on deposits (not being time deposits) in a savings account with-

(a) a banking company to which the Banking Regulation Act, 1949, applies (including any bank or banking institution referred to in section 51 of that Act); **(10 of 1949.)**

(b) a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank); or

(c) a Post Office as defined in clause (k) of section 2 of the Indian Post Office Act, 1898, **(6 of 1898.)**

there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee a deduction as specified hereunder, namely:-

(i) in a case where the amount of such income does not exceed in the aggregate ten thousand rupees, the whole of such amount; and

(ii) in any other case, ten thousand rupees.

(2) Where the income referred to in this section is derived from any deposit in a savings account held by, or on behalf of, a firm, an association of persons or a body of individuals, no deduction shall be allowed under this section in respect of such income in computing the total income of any partner of the firm or any member of the association or any individual of the body.

Explanation.-For the purposes of this section, "time deposits" means the deposits repayable on expiry of fixed periods.'.

32. Amendment of section 90.-In section 90 of the Income-tax Act,-

(a) after sub-section (2), the following sub-section shall be inserted with effect from the 1st day of April, 2013, namely:-

"(2A) Notwithstanding anything contained in sub-section (2), the provisions of Chapter X-A of the Act shall apply to the assessee, even if such provisions are not beneficial to him.";

(b) after sub-section (3) and before Explanation 1, the following sub-section shall be inserted with effect from the 1st day of April, 2013, namely:-

"(4) An assessee, not being a resident, to whom an agreement referred to in sub-section (1) applies, shall not be entitled to claim any relief under such agreement unless a certificate, containing such particulars as may be prescribed, of his being a resident in any country outside India or specified territory outside India, as the case may be, is obtained by him from the Government of that country or specified territory.";

(c) after Explanation 2, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 2009, namely:-

"Explanation 3.-For the removal of doubts, it is hereby declared that where any term is used in any agreement entered into under sub-section (1) and not defined under the said agreement or the Act, but is assigned a meaning to it in the notification issued under sub-section (3) and the notification issued thereunder being in force, then, the meaning assigned to such term shall be deemed to have effect from the date on which the said agreement came into force.";

33. Amendment of section 90A.-In section 90A of the Income-tax Act,-

(a) after sub-section (2), the following sub-section shall be inserted with effect from the 1st day of April, 2013, namely:-

"(2A) Notwithstanding anything contained in sub-section (2), the provisions of Chapter X-A of the Act shall apply to the assessee, even if such provisions are not beneficial to him.";

(b) after sub-section (3) and before Explanation 1, the following sub-section shall be inserted with effect from the 1st day of April, 2013, namely:-

"(4) An assessee, not being a resident, to whom the agreement referred to in sub-section (1) applies, shall not be entitled to claim any relief under such agreement unless a certificate, containing such particulars as may be

prescribed, of his being a resident in any specified territory outside India, is obtained by him from the Government of that specified territory.";

(c) after Explanation 2, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2006, namely:-

"Explanation 3.-For the removal of doubts, it is hereby declared that where any term is used in any agreement entered into under sub-section (1) and not defined under the said agreement or the Act, but is assigned a meaning to it in the notification issued under sub-section (3) and the notification issued thereunder being in force, then, the meaning assigned to such term shall be deemed to have effect from the date on which the said agreement came into force.".

34. Amendment of section 92.-In section 92 of the Income-tax Act, with effect from the 1st day of April, 2013,-

(a) in sub-section (2), for the words "international transaction", the words "international transaction or specified domestic transaction" shall be substituted;

(b) after sub-section (2), the following sub-section shall be inserted, namely:-

"(24) Any allowance for an expenditure or interest or allocation of any cost or expense or any income in relation to the specified domestic transaction shall be computed having regard to the arm's length price.";

(c) in sub-section (3),-

(i) for the words *"international transaction"*, the words "international transaction or specified domestic transaction" shall be substituted.

(ii) for the word, brackets and figure *"sub-section (1)"*, the words, brackets, figures and letter *"sub-section (1) or sub-section (2A)"* shall be substituted;

(iii) for the words *"that sub-section"*, the words, brackets, figures and letter *"sub-section (1) or sub-section (2A)"* shall be substituted;

(iv) after the word, brackets and figure *"sub-section (2)"*, the words, brackets, figure and letter *"or sub-section (2A)"* shall be inserted.

35. Amendment of section 92B.-In section 92B of the Income-tax Act, after sub-section (2), the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2002. namely:-

'Explanation.-For the removal of doubts, it is hereby clarified that-

(i) the expression "international transaction" shall include-

(a) the purchase, sale, transfer, lease or use of tangible property including building, transportation vehicle, machinery, equipment, tools, plant, furniture, commodity or any other article, product or thing;

(b) the purchase, sale, transfer, lease or use of intangible property, including the transfer of ownership or the provision of use of rights regarding land use, copyrights, patents, trademarks, licences, franchises, customer list, marketing channel, brand, commercial secret, know-how, industrial property right, exterior design or practical and new design or any other business or commercial rights of similar nature;

(c) capital financing, including any type of long-term or short-term borrowing, lending or guarantee, purchase or sale of marketable securities or any type of advance, payments or deferred payment or receivable or any other debt arising during the course of business;

(d) provision of services, including provision of market research, market development, marketing management, administration, technical *service, repairs, design, consultation, agency, scientific research, legal or accounting service*;

(e) a transaction of business restructuring or reorganisation, entered into by an enterprise with an associated enterprise, irrespective of the fact that it has bearing on the profit, income, losses or assets of such enterprises at the time of the transaction or at any future date;

(ii) the expression "intangibie property" shall include-

(a) marketing related intangible assets, such as, trademarks, trade names, brand names, logos;

(b) technology related intangible assets, such as process patents, patent applications, technical documentation such as laboratory notebooks, technical know-how;

(c) artistic related intangible assets, such as, literary works and copyrights, musical compositions, copyrights, maps, engravings;

(d) data processing related intangible assets, such as, proprietary computer software, software copyrights, automated databases, and integrated circuit masks and masters;

(e) engineering related intangible assets, such as, industrial design, product patents, trade secrets, engineering drawing and schematics, blueprints, proprietary documentation;

(f) customer related intangible assets, such as, customer lists, customer contracts, customer relationship, open purchase orders;

(g) contract related intangible assets, such as, favourable supplier, contracts, licence agreements, franchise agreements, non-compete agreements;

(h) human capital related intangible assets, such as, trained and organised work force, employment agreements, union contracts;

(i) location related intangible assets, such as, leasehold interest, mineral exploitation rights, easements, air rights, water rights;

(j) goodwill related intangible assets, such as, institutional goodwill, professional practice goodwill, personal goodwill of professional, celebrity goodwill, general business going concern value;

(k) methods, programmes, systems, procedures, campaigns, surveys, studies, forecasts, estimates, customer lists, or technical data;

(l) any other similar item that derives its value from its intellectual content rather than its physical attributes.'.

36. Insertion of new section 92BA.-After section 92B of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2013, namely:-

'92BA. Meaning of specified domestic transaction.-For the purposes of this section and sections 92, 92C, 92D and 92E, "specified domestic transaction" in case of an assessee means any of the following transactions, not being an international transaction, namely:-

(i) any expenditure in respect of which payment has been made or is to be made to a person referred to in clause (b) of sub-section (2) of section 40A;

(ii) any transaction referred to in section 80A;

(iii) any transfer of goods or services referred to in sub-section (8) of section 80-IA;

(iv) any business transacted between the assessee and other person as referred to in sub-section (10) of section 80-IA;

(v) any transaction, referred to in any other section under Chapter VI-A or section 10AA, to which provisions of sub-section (8) or sub-section (10) of section 80-IA are applicable; or

(vi) any other transaction as may be prescribed,

and where the aggregate of such transactions entered into by the assessee in the previous year exceeds a sum of five crore rupees.'.

37. Amendment of section 92C.-In section 92C of the Income-tax Act,-

(a) in sub-section (2),-

(i) in the second proviso, for the words "does not exceed such percentage of latter as may be notified", the words "does not exceed such percentage not exceeding three per cent of the latter, as may be notified" shall be substituted with effect from the 1st day of April, 2013;

(ii) after the second proviso, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 2009, namely:-

"Explanation.-For the removal of doubts, it is hereby clarified that the provisions of the second proviso shall also be applicable to all assessment or reassessment proceedings pending before an Assessing Officer as on the 1st day of October, 2009.";

(b) after sub-section (2), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2002, namely:-

"2A) Where the first proviso to sub-section (2) as it stood before its amendment by the Finance (No.2) Act, 2009 (33 of 2009), is applicable in respect of an international transaction for an assessment year and the variation between the arithmetical mean referred to in the said proviso and the price at which such transaction has actually been undertaken exceeds five per cent of the arithmetical mean, then, the assessee shall not be entitled to exercise the option as referred to in the said proviso.";

(c) after sub-section (2A) as so inserted, the following sub-section shall be inserted with effect from the 1st day of July, 2012, namely:-

"(2B) Nothing contained in sub-section (2A) shall empower the Assessing Officer either to assess or reassess under section 147 or pass an order enhancing the assessment or reducing a refund already made or otherwise increasing the liability of the assessee under section 154 for any assessment year the proceedings of which have been completed before the 1st day of October, 2009.".

38. Amendment of Chapter X.-In sections 92C, 92D and section 92E of Chapter X of the Income-tax Act, for the words "international transaction" wherever they occur, the words "international transaction or specified domestic transaction" shall respectively be substituted with effect from the 1st day of April, 2013.

39. Amendment of section 92CA.-In section 92CA of the Income-tax Act,-

(a) in sub-sections (1), (2) and (3), for the words "international transaction", wherever they occur, the words "international transaction or specified domestic transaction" shall respectively be substituted with effect from the 1st day of April, 2013;

(b) after sub-section (2A), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2002, namely:-

"(2B) Where in respect of an international transaction, the assessee has not furnished the report under section 92E and such transaction comes to the notice of the Transfer Pricing Officer during the course of the proceeding before him, the provisions of this Chapter shall apply as if such transaction is an international transaction referred to him under sub-section (1).".

(c) after sub-section (2B), as so inserted, the following sub-section shall be inserted with effect from the 1st day of July, 2012, namely:-

"(2C) Nothing contained in sub-section (2B) shall empower the Assessing Officer either to assess or reassess under section 147 or pass an order enhancing the assessment or reducing a refund already made or otherwise increasing the liability of the assessee under section 154, for any assessment year, proceedings for which have been completed before the 1st day of July, 2012.".

40. Insertion of new sections 92CC and 92CD.-After section 92CB of the Income-tax Act, the following sections shall be inserted with effect from the 1st day of July, 2012, namely:-

'92CC. **Advance pricing agreement.**-(1) The Board, with the approval of the Central Government, may enter into an advance pricing agreement with any person, determining the arm's length price or specifying the manner in which arm's length price is to be determined, in relation to an international transaction to be entered into by that person.

(2) The manner of determination of arm's length price referred to in sub-section (1), may include the methods referred to in sub-section (1) of section 92C or any other method, with such adjustments or variations, as may be necessary or expedient so to do.

(3) Notwithstanding anything contained in section 92C or section 92CA, the arm's length price of any international transaction, in respect of which the advance pricing agreement has been entered into, shall be determined in accordance with the advance pricing agreement so entered.

(4) The agreement referred to in sub-section (1) shall be valid for such period not exceeding five consecutive previous years as may be specified in the agreement.

(5) The advance pricing agreement entered into shall be binding-

(a) on the person in whose case, and in respect of the transaction in relation to which, the agreement has been entered into; and

(b) on the Commissioner, and the income-tax authorities subordinate to him, in respect of the said person and the said transaction.

(6) The agreement referred to in sub-section (1) shall not be binding if there is a change in law or facts having bearing on the agreement so entered.

(7) The Board may, with the approval of the Central Government, by an order, declare an agreement to be void ab initio, if it finds that the agreement has been obtained by the person by fraud or misrepresentation of facts.

(8) Upon declaring the agreement void *ab initio*,-

(a) all the provisions of the Act shall apply to the person as if such agreement had never been entered into; and

(b) notwithstanding anything contained in the Act, for the purpose of computing any period of limitation under this Act, the period beginning with the date of such agreement and ending on the date of order under sub-section (7) shall be excluded:

Provided that where immediately after the exclusion of the aforesaid period, the period of limitation, referred to in any provision of this Act, is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly.

(9) The Board may, for the purposes of this section, prescribe a scheme specifying therein the manner, form, procedure and any other matter generally in respect of the advance pricing agreement.

(10) Where an application is made by a person for entering into an agreement referred to in sub-section (1), the proceeding shall be deemed to be pending in the case of the person for the purposes of the Act.

92CD. **Effect to advance pricing agreement.**-(1) Notwithstanding anything to the contrary contained in section 139, where any person has entered into an agreement and prior to the date of entering into the agreement, any return of income has been furnished under the provisions of section 139 for any assessment year relevant to a previous year to which such agreement applies, such person shall furnish, within a period of three months from the end of the month in which the said agreement was entered into, a modified return in accordance with and limited to the agreement.

(2) Save as otherwise provided in this section, all other provisions of this Act shall apply accordingly as if the modified return is a return furnished under section 139.

(3) If the assessment or reassessment proceedings for an assessment year relevant to a previous year to which the agreement applies have been completed before the expiry of period allowed for furnishing of modified return under sub-section (1), the Assessing Officer shall, in a case where modified return is filed in accordance with the provisions of sub-section (1), proceed to assess or reassess or recomputed the total income of the relevant assessment year having regard to and in accordance with the agreement.

(4) Where the assessment or reassessment proceedings for an assessment year relevant to the previous year to which the agreement applies are pending on the date of filing of modified return in accordance with the provisions of sub-section (1), the Assessing Officer shall proceed to complete the assessment or reassessment proceedings in accordance with the agreement taking into consideration the modified return so furnished.

(5) Notwithstanding anything contained in section 153 or section 153B or section 144C,-

(a) the order of assessment, reassessment or recomputation of total income under sub-section (3) shall be passed within a period of one *year from the end of the financial year in which the modified return under sub-section (1) is furnished;*

(b) the period of limitation as provided in section 153 or section 153B or section 144C for completion of pending assessment or reassessment proceedings referred to in sub-section (4) shall be extended by a period of twelve months.

(6) For the purposes of this section,-

(i) "agreement" means an agreement referred to in sub-section (1) of section 92CC;

(ii) the assessment or reassessment proceedings for an assessment year shall be deemed to have been completed where-

(a) an assessment or reassessment order has been passed; or

(b) no notice has been issued under sub-section (2) of section 143 till the expiry of the limitation period provided under the said section.'.

41. Insertion of new Chapter X-A.-After Chapter X of the Income-tax Act, the following Chapter shall be inserted with effect from the 1st day of April, 2014, namely:-

'CHAPTER X-A

GENERAL ANTI-AVOIDANCE RULE

95. Applicability of General Anti-Avoidance Rule.-Notwithstanding anything contained in the Act, an arrangement entered into by an assessee may be declared to be an impermissible avoidance arrangement and the consequence in relation to tax arising therefrom may be determined subject to the provisions of this Chapter.

Explanation.- For the removal of doubts, it is hereby declared that the provisions of this Chapter may be applied to any step in, or a part of, the arrangement as they are applicable to the arrangement.

96. Impermissible avoidance arrangement.-(1) An impermissible avoidance arrangement means an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and it-

(a) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;

(b) results, directly or indirectly, in the misuse, or abuse, of the provisions of this Act;

(c) lacks commercial substance or is deemed to lack commercial substance under section 97, in whole or in part; or

(d) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for *bona fide* purposes.

(2) An arrangement shall be presumed to have been entered into, or carried out, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit.

97. Arrangement to lack commercial substance.-(1) An arrangement shall be deemed to lack commercial substance if-

(a) the substance or effect of the arrangement as a whole, is inconsistent with, or differs significantly from, the form of its individual steps or a part; or

(b) it involves or includes-

(i) round trip financing;

(ii) an accommodating party;

(iii) elements that have effect of offsetting or cancelling each other; or

(iv) a transaction which is conducted through one or more persons and disguises the value, location, source, ownership or control of funds which is the subject matter of such transaction; or

(c) it involves the location of an, asset or of a transaction or of the place of residence of any party which is without any substantial commercial purpose other than obtaining a tax benefit (but for the provisions of this Chapter) for a party.

(2) For the purposes of sub-section (1), round trip financing includes any arrangement in which, through a series of transactions-

(a) funds are transferred among the parties to the arrangement; and

(b) such transactions do not have any substantial commercial purpose other than obtaining the tax benefit (but for the provisions of this Chapter),

without having any regard to-

(A) whether or not the funds involved in the round trip financing can be traced to any funds transferred to, or received by, any party in connection with the arrangement;

(B) the time, or sequence, in which the funds involved in the round trip financing are transferred or received; or

(C) the means by, or manner in, or mode through, which funds involved in the round trip financing are transferred or received.

(3) For the purposes of this Chapter, a party to an arrangement shall be an accommodating party, if the main purpose of the direct or indirect participation of that party in the arrangement, in whole or in part, is to obtain, directly or indirectly, a tax benefit (but for the provisions of this Chapter) for the assessee whether or not the party is a connected person in relation to any party to the arrangement.

(4) The following shall not be taken into account while determining whether an arrangement lacks commercial substance or not, namely:-

(i) the period or time for which the arrangement (including operations therein) exists;

(ii) the fact of payment of taxes, directly or indirectly, under the arrangement;

(iii) the fact that an exit route (including transfer of any activity or business or operations) is provided by the arrangement.

98. Consequence of impermissible avoidance arrangement.-(1) If an arrangement is declared to be an impermissible avoidance arrangement, then the consequences, in relation to tax, of the arrangement, including denial of tax benefit or a benefit under a tax treaty, shall be determined, in such manner as is deemed appropriate, in the circumstances of the case, including by way of but not limited to the following, namely:-

(a) disregarding, combining or recharacterising any step in, or a part or whole of, the impermissible avoidance arrangement;

(b) treating the impermissible avoidance arrangement as if it had not been entered into or carried out;

(c) disregarding any accommodating party or treating any accommodating party and any other party as one and the same person;

(d) deeming persons who are connected persons in relation to each other to be one and the same person for the purposes of determining tax treatment of any amount;

(e) reallocating amongst the parties to the arrangement -

(i) any accrual, or receipt, of a capital or revenue nature; or

(ii) any expenditure, deduction, relief or rebate;

(f) treating-

(i) the place of residence of any party to the arrangement; or

(ii) the situs of an asset or of a transaction,

at a place other than the place of residence, location of the asset or location of the transaction as provided under the arrangement; or

(g) considering or looking through any arrangement by disregarding any corporate structure.

(2) For the purposes of sub-section (1),-

(i) any equity may be treated as debt or *vice versa*;

(ii) any accrual, or receipt, of a capital nature may be treated as of revenue nature or *vice versa*; or

(iii) any expenditure, deduction, relief or rebate may be recharacterised.

99. Treatment of connected person and accommodating party.-For the purposes of this Chapter, in determining whether a tax benefit exists-

(i) the parties who are connected persons in relation to each other may be treated as one and the same person;

(ii) any accommodating party may be disregarded;

(iii) such accommodating party and any other party may be treated as one and the same person;

(iv) the arrangement may be considered or looked through by disregarding any corporate structure.

100. Application of Chapter.-The provisions of this Chapter shall apply in addition to, or in lieu of, any other basis for determination of tax liability.

101. Framing of guidelines.-The provisions of this Chapter shall be applied in accordance with such guidelines and subject to such conditions and the manner as may be prescribed.

102. Definitions.-In this Chapter, unless the context otherwise requires,-

(1) "arrangement" means any step in, or a part or whole of, any transaction, operation, scheme, agreement or understanding, whether enforceable or not, and includes the alienation of any property in such transaction, operation, scheme, agreement or understanding;

(2) "asset" includes property, or right, of any kind;

(3) "associated person", in relation to a person, means-

(a) any relative of the person, if the person is an individual;

(b) any director of the company or any relative of such director, if the person is a company;

(c) any partner or member of a firm or association of persons or body of individuals or any relative of such partner or member if the person is a firm or association of persons or body of individuals;

(d) any member of the Hindu undivided family or any relative of such member, if the person is a Hindu undivided family;

(e) any individual who has a substantial interest in the business of the person or any relative of such individual;

(f) a company, firm or an association of persons or a body of individuals, whether incorporated or not, or a Hindu undivided family having a substantial interest in the business of the person or any director, partner, or member of the company, firm or association of persons or body of individuals or family, or any relative of such director, partner or member;

(g) a company, firm or association of persons or body of individuals, whether incorporated or not, or a Hindu undivided family, whose director, partner, or member have a substantial interest in the business of the person, or family or any relative of such director, partner or member;

(h) any other person who carries on a business, if-

(i) the person being an individual, or any relative of such person, has a substantial interest in the business of that other person; or

(ii) the person being a company, firm, association of persons, body of individuals, whether incorporated or not, or a Hindu undivided family, or any director, partner or member of such company, firm or association of persons or body of individuals or family, or any relative of such director, partner or member, has a substantial interest in the business of that other person;

(4) "benefit" includes a payment of any kind whether in tangible or intangible form;

(5) "connected person" means any person who is connected directly or indirectly to another person and includes associated person;

(6) "fund" includes-

(a) any cash:

(b) cash equivalents; and

(c) any right, or obligation, to receive, or pay, the cash or cash equivalent;

(7) "party" means any person including a permanent establishment which participates or takes part in an arrangement;

(8) "relative" shall have the meaning assigned to it in the Explanation to clause (vi) of sub-section (2) of section 56;

(9) a person shall be deemed to have a substantial interest in the business, if-

(a) in a case where the business is carried on by a company, such person is, at any time during the financial year, the beneficial owner of equity shares carrying twenty per cent or more, of the voting power; or

(b) in any other case, such person is, at any time during the financial year, beneficially entitled to twenty per cent or more, of the profits of such business;

(10) "step" includes a measure or an action, particularly one of a series taken in order to deal with or achieve a particular thing or object in the arrangement;

(11) "tax benefit" means-

(a) a reduction or avoidance or deferral of tax or other amount payable under this Act; or

(b) an increase in a refund of tax or other amount under this Act; or

(c) a reduction or avoidance or deferral of tax or other amount that would be payable under this Act, as a result of a tax treaty; or

(d) an increase in a refund of tax or other amount under this Act as a result of a tax treaty; or

(e) a reduction in total income including increase in loss,

in the relevant previous or any other previous year.

(12) "tax treaty" means an agreement referred to in sub-section (1) of section 90 or sub-section (1) of section 90A.'.

42. Amendment of section 111A.-In section 111A of the Income-tax Act, in sub-section (1), in the proviso, for the words "ten per cent", the words "fifteen per cent" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2009.

43. **Amendment of section 112.**-In section 112 of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 2013 -

(A) in clause (c), for sub-clause (ii), the following sub-clauses shall be substituted namely:-

"(ii) the amount of income-tax calculated on long term capital gains [except where such gain arises from transfer of capital asset referred to in sub-clause (iii) at the rate of twenty per cent.; and

(iii) the amount of income-tax on long term capital gains arising from the transfer of a capital asset, being unlisted securities, calculated at the rate of ten per cent. on the capital gains in respect of such asset as computed without giving effect to the first and second proviso to section 48.";

(B) in the Explanation, for clause (a), the following clauses shall be substituted, namely:-

'(a) the expression "securities" shall have the meaning assigned to it in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956; **(32 of 1956).**

(aa) "listed securities" means the securities which are listed on any recognised stock exchange in India;

(ab) " unlisted securities" means securities other than listed securities;'.

44. Amendment of section 115A.-In section 115A of the Income-tax Act, with effect from the 1st day of July, 2012, in sub-section (1), in clause (a),-

(a) in sub-clause (ii), for the word, brackets, figures and letter "clause (iia)", the words, brackets, figures and letters "sub-clause (iia) or sub-clause (iiaa)" shall be substituted;

(b) after sub-clause (iia), the following sub-clause shall be inserted, namely:-

"(iiaa) interest of the nature and extent referred to in section 194LC; or";

(c) in item (BA), after the word, brackets, figures and letter "sub-clause (iia)", the words, brackets, figures and letters "or sub-clause (iiaa)" shall be inserted;

(d) in item (D), after the word, brackets, figures and letter "sub-clause (iia)", the word, brackets, figures and letters ", sub-clause (iiaa)" shall be inserted.

45. Amendment of section 115BBA.-In section 115BBA of the Income-tax Act, with effect from the 1st day of April, 2013,-

(a) in sub-section (1),-

(i) in clause (b), the word "; or" shall be inserted at the end;

(ii) after clause (b), and before the words "the income-tax payable by the assessee", the following clause shall be inserted, namely:-

"(c) being an entertainer, who is not a citizen of India and is a non-resident, includes any income received or receivable from his performance in India,";

(iii) for the words, brackets and letters "clause (a) or clause (b)", wherever they occur, the words, brackets and letters "clause (a) or clause (b) or clause (c)" shall respectively be substituted;

(iv) in clause (i), after the words "the income-tax payable by the assessee shall be the aggregate of-", for the words "ten per cent", the words "twenty per cent" shall be substituted;

(b) in sub-section (2), in clause (a), for the words, brackets and letters "clause (a) or clause (b)", the words, brackets and letters "clause (a) or clause (b) or clause (c)" shall be substituted.

46. Amendment of section 115BBD.-In section 115BBD of the Income-tax Act, in sub-section (1), after the words, figures and letters "the 1st day of April, 2012", the words, figures and letters "or beginning on the 1st day of April, 2013" shall be inserted with effect from the 1st day of April, 2013.

47. Insertion of new section 115BBE. -After section 115BBD of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2013, namely:-

"115BBE. **Tax on income referred to in section 68 or section 69 or section 69A or section 69B or section 69C or section 69D.** *-(1) Where the total income of an assessee includes any income referred to in section 68, section 69, section 69A, section 69B, section 69C or section 69D, the income-tax payable shall be the aggregate of-*

(a) the amount of income-tax calculated on income referred to in section 68, section 69, section 69A, section 69B, section 69C or section 69D, at the rate of thirty per cent; and

(b) the amount of income-tax with which the assessee would have been chargeable had his total income been reduced by the amount of income referred to in clause (a).

(2) Notwithstanding anything contained in this Act, no deduction in respect of any expenditure or allowance shall be allowed to the assessee under any provision of this Act in computing his income referred to in clause (a) of sub-section (1).".

48. Amendment of section 115JB.-In section 115JB of the Income-tax Act,-

(A) in sub-section (2), with effect from the 1st day of April, 2013,-

(i) for the portion beginning with the words "Every assessee," and ending with the words and figures "the Companies Act, 1956" (1 of 1956.), the following shall be substituted, namely:-

"Every assessee,-

(a) being a company, other than a company referred to in clause (b), shall, for the purposes of this section, prepare its profit and loss account for the relevant previous year in accordance with the provisions of Part II of Schedule VI to the Companies Act, 1956 (1 of 1956); or

(b) being a company, to which the proviso to sub-section (2) of section 211 of the Companies Act, 1956 (1 of 1956) is applicable, shall, for the purposes of this section, prepare its profit and loss account for the relevant previous year in accordance with the provisions of the Act governing such company:";

(ii) in Explanation 1, after clause (i), for the words, brackets and letters "if any amount referred to in clauses (a) to (i) is debited to the profit and loss account, and as reduced by,-", the following shall be substituted, namely:-

"(j) the amount standing in revaluation reserve relating to revalued asset on the retirement or disposal of such asset,

if any amount referred to in clauses (a) to (i) is debited to the profit and loss account or if any amount referred to in clause (j) is not credited to the profit and loss account, and as reduced by,-".

(iii) after explanation 2, the following Explanation shall be inserted, namely:-

"Explanation 3.- for the removal of doubts, it is hereby clarified that for the purposes of this section, the assessee, being a company to which the proviso to sub-section (2) of section 2011 of the Companies Act, 1956 **(1 of 1956)** is applicable, has, for an assessment year commencing on or before the 1st day of April, 2012, an option to prepare its profit and loss account for the relevant previous year either in accordance with the provisions of Part II and Part III of Schedule VI to the Companies Act, 1956 or in accordance with the provisions of the Act governing such company.";

(B) after sub-section (5), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from 1st day of April, 2001, namely:-

"(5A) the provisions of this section shall not apply to any income accruing or arising to a company from life insurance business referred to in section 115B.".

49. Amendment of Chapter XII-BA.-In Chapter XII-BA of the Income-tax Act, in the heading, for the words "LIMITED LIABILITY PARTNERSHIPS", the words "PERSONS OTHER THAN A COMPANY" shall be substituted with effect from the 1st day of April, 2013.

50. Substitution of new section for section 115JC.-For section 115JC of the Income-tax Act, the following section shall be substituted with effect from the 1st day of April, 2013, namely:-

'115JC. **Special provisions for payment of tax by certain persons other than a company.**-(1) Notwithstanding anything contained in this Act, where the regular income-tax payable for a previous year by a person, other than a company, is less than the alternate minimum tax payable for such previous year, the adjusted total income shall be deemed to be the total income of that person for such previous year and he shall be liable to pay income-tax on such total income at the rate of eighteen and one-half per cent.

(2) Adjusted total income referred to in sub-section (1) shall be the total income before giving effect to this Chapter as increased by-

(i) deductions claimed, if any, under any section (other than under section 80P) included in Chapter VI-A under the heading *"C.-Deductions in respect of certain incomes"*; and

(ii) deduction claimed, if any, under section 10AA.

(3) Every person to whom this section applies shall obtain a report, in such form as may be prescribed, from an accountant, certifying that the adjusted total income and the alternate minimum tax have been computed in accordance with the provisions of this Chapter and furnish such report on or before the due date of furnishing of return of income under sub-section (1) of section 139.'.

51. Amendment of section 115JD.-In section 115JD of the Income-tax Act, in sub-section (1), for the words, figures and letters *"a limited liability partnership under section 115JC shall be allowed to it", the words, figures and letters "a person under section 115JC shall be allowed to him" shall be substituted with effect from the 1st day of April, 2013.*

52. Amendment of section 115JE.-In section 115JE of the Income-tax Act, for the words "a limited liability partnership", the words "a person" shall be substituted with effect from the 1st day of April, 2013.

53. Insertion of new section 115JEE. -After section 115JE of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2013, namely:-

'115JEE. **Application of this Chapter to certain persons.**-(1) The provisions of this Chapter shall apply to a person who has claimed any deduction under-

(a) any section (other than section 80P) included in Chapter VI-A under the heading "C.-Deductions in respect of certain incomes"; or

(b) section 10AA.

(2) The provisions of this Chapter shall not apply to an individual or a Hindu undivided family or an association of persons or a body of individuals, *whether incorporated or not, or an artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2, if the adjusted total income of* such person does not exceed twenty lakh rupees.'.

54. Amendment of section 115JF.-In section 115JF of the Income-tax Act, with effect from the 1st day of April, 2013,-

(i) clause (c) shall be omitted;

(ii) in clause (d), for the words "a limited liability partnership on its total income", the words "a person on his total income" shall be substituted.

55. Insertion of new Chapter XII-BB.-After Chapter XII-BA, the following Chapter shall be inserted with effect from the 1 st day of April, 2013, namely:-

"CHAPTER XII-BB

Special provisions relating to conversion of Indian branch of a foreign bank into a subsidiary company

115JG. Conversion of an Indian branch of foreign company into subsidiary indian company.-(1) Where a foreign company is engaged in the business of banking in India through its branch situate in India and such branch is converted into a subsidiary company thereof, being an Indian company (hereafter referred to as an Indian subsidiary company) in accordance with the scheme framed by the Reserve Bank of India, then, notwithstanding anything contained in the Act and subject to the conditions as may be notified by the Central Government in this behalf,-

(i) the capital gains arising from such conversion shall not be chargeable to tax in the assessment year relevant to the previous year in which such conversion takes place;

(ii) the provisions of this Act relating to treatment of unabsorbed depreciation, set off or carry forward and set off of losses, tax credit in respect of tax paid on deemed income relating to certain companies and the computation of income in the case of the foreign company and Indian subsidiary company shall apply with such exceptions, modifications and adaptations as may be specified in that notification;

(2) In case of failure to comply with any of the conditions specified in the scheme or in the notification issued under sub-section (1), all the provisions of this Act shall apply to the foreign company and the said Indian subsidiary company without any benefit, exemption or relief under sub-section (1).

(3) Where, in a previous year, any benefit, exemption or relief has been claimed and granted to the foreign company or the Indian subsidary company in accordance with the provisions of sub-section (1) and, subsequently, there is failure to comply with any of the conditions specified in the scheme or in the notification issued under sub-section (1), then,-

(i) such benefit, exemption or relief shall be deemed to have been wrongly allowed;

(ii) the Assessing Officer may, notwithstanding anything contained in this Act, re-compute the total income of the assessee for the said previous year and make the necessary amendment; and

(iii) the provisions of section 154 shall, so far as may be, apply thereto and the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which the failure to comply with the condition referred to in sub-section (1) takes place.

(4) Every notification issued under this section shall be laid before each House of Parliament;".

56. Amendment of section 115-O.-In section 115-0 of the Income-tax Act, in sub-section (1A), in clause (i), with effect from the 1st day of July, 2012,-

(i) in sub-clause (a), the word "and" shall be inserted at the end;

(ii) in sub-clause (b), for the words "paid tax under this section on such dividend; and", the words "paid the tax which is payable under this section on such dividend:" shall be substituted;

(iii) sub-clause (c) shall be omitted.

57. Amendment of section 115U.-In section 115U of the Income-tax Act,-

(i) with effect from the 1st day of April, 2013,-

(a) in sub-section (1), for the words "income received", at both the places where they occur, the words "income accruing or arising to or received" shall respectively be substituted;

(b) in sub-section (2),-

(i) for the words "The person responsible for making", the words "The person responsible for crediting or making" shall be substituted;

(ii) for the words "to the person receiving such income", the words "to the person who is liable to tax in respect of such income" shall be substituted;

(iii) for the words "income paid", the words "income paid or credited" shall be substituted;

(c) in sub-section (3),-

(i) for the words "income paid", the words "income paid or credited" shall be substituted;

(ii) for the words "the person receiving such income as it had been", the words, brackets and figure "the person referred to in sub-section (1) as it had been" shall be substituted;

(iii) for the words "had accrued", the words "had accrued or arisen" shall be substituted;

(d) after sub-section (4), the following sub-section shall be inserted, namely:-

"(5) The income accruing or arising to or received by the venture capital company or venture capital fund, during a previous year, from investments made in venture capital undertaking if not paid or credited to the person referred to in sub-section (1), shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.";

(ii) the Explanation shall be numbered as Explanation 1 thereof and after Explanation 1 as so numbered, the following Explanation shall be inserted with effect from the 1st day of July, 2012, namely:-

"Explanation 2.-For the removal of doubts, it is hereby declared that any income which has been included in total income of the person referred to in sub-section (1) in a previous year, on account of it having accrued or arisen in the said previous year, shall not be included in the total income of such person in the previous year in which such income is actually paid to him by the venture capital company or the venture capital fund.".

58. Amendment of section 115VG.-In section 115VG of the Income-tax Act, in sub-section (3), for the Table, the following Table shall be substituted with effect from the 1st day of April, 2013, namely:-

TABLE

Qualifying ship having net tonnage	**Amount of daily tonnage income**
(1)	**(2)**
up to 1,000	Rs.70 for each 100 tons
exceeding 1,000 but not more than 10,000	Rs.700 plus Rs.53 for each 100 tons exceding 1,000 tons
exceeding 10,000 but not more than 25,000	Rs.5,470 plus Rs.42 for each 100 tons exceeding 10,000 tons
exceeding 25,000	Rs.11,770 plus Rs.29 for each 100 tons exceeding 25, 000 tons.".

59. Amendment of section 139.-In section 139 of the Income-tax Act, in sub-section (1),-

(a) after the third proviso, the following proviso shall be inserted, namely:-

"Provided also that a person, being a resident, other than not ordinarily resident in India within the meaning of clause (6) of section 6, who is not required to furnish a return under this sub-section and who during the previous year has any asset (including any financial interest in any entity) located outside India or signing authority in any account located outside India, shall furnish, on or before the due date, a return in respect of his income or loss for the previous year in such form and verified in such manner and setting forth such other particulars as may be prescribed.".

(b) in Explanation 2,-

(i) in clause (a),-

(A) after the words "the assessee", the words, brackets and letters "other than an assessee referred to in clause (aa)" shall be inserted;

(B) in sub-clause (i), the words, brackets and letters "other than a company referred to in clause (aa)" shall be omitted;

(ii) in clause (aa), for the words "being a company, which", the word "who" shall be substituted.

60. Amendment of section 140A.-In section 140A of the Income-tax Act, with effect from the 1st day of April, 2013,-

(i) in sub-section (1), in clause (v), after the word, figures and letters "section 115JAA", the words, figures and letters "or section 115JD" shall be inserted;

(ii) in sub-section (1A), in clause (i), in sub-clause (e), after the word, figures and letters "section 115JAA", the words, figures and letters "or section 115JD" shall be inserted;

(iii) in sub-section (1B), in the Explanation, in clause (iv), after the word, figures and letters "section 115JAA", the words, figures and letters "or section 115JD" shall be inserted.".

61. Amendment of section 143.-In section 143 of the Income-tax Act,-

(a) after sub-section (1C), the following sub-section shall be inserted with effect from the 1st day of July, 2012, namely:-

"(1D) Notwithstanding anything contained in sub-section (1), the processing of a return shall not be necessary, where a notice has been issued to the assessee under sub-section (2).".

(b) in sub-section (3), after the second proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2009, namely:-

"Provided also that notwithstanding anything contained in the first and the second proviso, no effect shall be given by the Assessing Officer to the provisions of clause (23C) of section 10 in the case of a trust or institution for a previous year, if the provisions of the first proviso to clause (15) of section 2 become applicable in the case of such person in such previous year, whether or not the approval granted to such trust or institution or notification issued in respect of such trust or institution has been withdrawn or rescinded.".

62. Insertion of new section 144BA.-After section 144B of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2014, namely:-

"144BA. **Reference to Commissioner in certain cases.**-*(1) If, the Assessing Officer, at any stage of the assessment or reassessment proceedings before him having regard to the material and evidence available, considers that it is necessary to declare an arrangement as an impermissible avoidance arrangement and to determine the consequence of such an arrangement within the meaning of Chapter X-A, then, he may make a reference to the Commissioner in this regard.*

(2) The Commissioner shall, on receipt of a reference under sub-section (1), if he is of the opinion that the provisions of Chapter X-A are required to be invoked, issue a notice to the assessee, setting out the reasons and basis of such an opinion, for submitting objections, if any, and providing an opportunity of being heard to the assessee within such period, not exceeding sixty days, as may be specified in the notice.

(3) If the assessee does not furnish any objection to the notice within the time specified in the notice issued under sub-section (2), the Commissioner shall issue such directions as it deems fit in respect of declaration of the arrangement to be an impermissible avoidance arrangement.

(4) In case the assessee objects to the proposed action, and the Commissioner, after hearing the assessee in the matter, is not satisfied by the explanation of the assessee, then, he shall make a reference in the matter to the Approving Panel for the purpose of declaration of the arrangement as an impermissible avoidance arrangement.

(5) If the Commissioner is satisfied, after having heard the assessee that the provisions of Chapter X-A are not to be invoked, he shall by an order in writing communicate the same to the Assessing Officer with a copy to the assessee.

(6) The Approving Panel, on receipt of reference from the Commissioner under sub-section (4) shall issue such directions, as it deems fit, in respect of the declaration of the arrangement as an impermissible avoidance arrangement in accordance with the provisions of Chapter X-A including specifying the previous year or years to which such declaration of an arrangement as an impermissible avoidance arrangement shall apply.

(7) No direction under sub-section (6) shall be issued unless an opportunity of being heard is given to the assessee and the Assessing Officer on such directions which are prejudicial to the interest of the assessee or the interest of the revenue, as the case may be.

(8) The Approving Panel may, before issuing any direction under sub-section (6),-

(i) if it is of the opinion that any further inquiry in the matter is necessary, direct the Commissioner to make such further inquiry or cause to make such further inquiry to be made by any other income-tax authority and furnish a report containing the results of such inquiry to it; or

(ii) call for and examine such records related to the matter as it deems fit; or

(iii) require the assessee to furnish such document and evidence as it may so direct.

(9) If the members of the Approving Panel differ in opinion on any point, the point shall be decided according to the opinion of the majority of the members.

(10) Every direction, issued by the Approving Panel under sub-section (6) or the Commissioner under sub-section (3), shall be binding on the Assessing Officer and the Assessing Officer on receipt of the directions shall proceed to complete the proceedings referred to in sub-section (1) in accordance with the directions and provisions of Chapter X-A.

(11) If any direction issued under sub-section (6) specifies that declaration of the arrangement as impermissible avoidance arrangement is applicable for any previous year to which the proceeding referred to in sub-section (1) pertains, then, the Assessing Officer while completing any assessment or reassessment proceedings of the assessment year relevant to such other previous year shall do so in accordance with such directions and the provisions of Chapter X-A and it shall not be necessary for him to seek fresh direction on the issue for the relevant assessment year.

(12) No order of assessment or reassessment shall be passed by the Assessing Officer without the prior approval of the Commissioner if any tax consequences have been determined in the order under the provisions of Chapter X-A pursuant to a direction issued under sub-section (6) or sub-section (3) declaring the arrangement as impermissible avoidance arrangement.

(13) No direction under sub-section (6) shall be issued after a period of six months from the end of the month in which the reference under sub-section (4) was received by the Approving Panel.

(14) The Board shall, for the purposes of this section, constitute an Approving Panel consisting of not less than three members, being -

(i) income tax authorities of the rank of Commissioner; and

(ii) an officer of the Indian Legal Service not below the rank of Joint Secretary to the Government of India.

(15) The Board may make rules for the purposes of the efficient functioning of the Approving Panel and expeditious disposal of the references received under sub-section (4).".

63. Amendment of section 144C.-In section 144C of the Income-tax Act,-

(a) in sub-section (4), for the words and figures *"in section 153"*, the words, figures and letter *"in section 153 or section 153B"* shall be substituted and shall be deemed to have been substituted with effect from the 1st day of October, 2009;

(b) after sub-section (8), the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2009, namely:-

"Explanation.-For the removal of doubts, it is hereby declared that the power of the Dispute Resolution Panel to enhance the variation shall include and shall be deemed always to have included the power to consider any matter arising out of the assessment proceedings relating to the draft order, notwithstanding that such matter was raised or not by the eligible assessee.";

(c) in sub-section (13), for the words and figures "in section 153", the words, figures and letter "in section 153 or section 153B" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of October, 2009;

(d) after sub-section (14), the following sub-section shall be inserted with effect from the 1st day of April, 2013, namely:-

"(14A) The provisions of this section shall not apply to any assessment or reassessment order passed by the Assessing Officer with the prior approval of the Commissioner under sub-section (12) of section 144BA.".

64. Amendment of section 147.-In section 147 of the Income-tax Act, with effect from the 1st day of July, 2012-

(i) after the first proviso, the following proviso shall be inserted, namely:-

"Provided further that nothing contained in the first proviso shall apply in a case where any income in relation to any asset (including financial interest in any entity) located outside India, chargeable to tax, has escaped assessment for any assessment year:";

(ii) in the second proviso, for the words "Provided further", the words "Provided also" shall be substituted;

(iii) in Explanation 2,-

(I) after clause (b), the following clause shall be inserted, namely:-

"(ba) where the assessee has failed to furnish a report in respect of any international transaction which he was so required under section 92E;".

(II) after clause (c), the following clause shall be inserted, namely:-

"(d) where a person is found to have any asset (including financial interest in any entity) located outside India.";

(iv) after Explanation 3, the following Explanation shall be inserted, namely:-

"Explanation 4.-For the removal of doubts, it is hereby clarified that the provisions of this section, as amended by the Finance Act, 2012, shall also be applicable for any assessment year beginning on or before the 1st day of April, 2012.".

65. Amendment of section 149.-In section 149 of the Income-tax Act, with effect from the 1st day of July, 2012,-

(A) in sub-section (1).-

(i) in clause (a), after the word, brackets and letter "clause (b)", the words, brackets and letter "or clause (c)" shall be inserted;

(ii) after clause (b) the following clause shall be inserted, namely:-

"(c) if four years but not more than sixteen years, have elapsed from the end of the relevant assessment year unless the income in relation to any asset (including financial interest in any entity) located outside India, chargeable to tax, has escaped assessment."*;*

(B) in sub-section (3), for the words "two years", the words "six years" shall be substituted;

(C) after sub-section (3), the following Explanation shall be inserted, namely:-

"Explanation.-For the removal of doubts, it is hereby clarified that the provisions of sub-sections (1) and (3), as amended by the Finance Act, 2012, shall also be applicable for any assessment year beginning on or before the 1st day of April, 2012.".

66. Amendment of section 153.-In section 153 of the Income-tax Act,-

(A) with effect from the 1st day of July, 2012,-

(i) in sub-section (1),-

(a) in the first proviso, for the words, figures and letters "on the 1st day of April, 2004 or any subsequent assessment year", the words, figures and letters "on or after the 1st day of April, 2004 but before the 1st day of April, 2010" shall be substituted;

(b) in the second proviso, for the words, figures and letters "on the 1st day of April, 2005 or any subsequent assessment year", the words, figures and letters "on or after the 1st day of April, 2005 but before the 1st day of April, 2009" shall be substituted;

(c) after the second proviso, the following proviso shall be inserted, namely:-

'Provided also that in case the assessment year in which the income was first assessable is the assessment year commencing on the 1st day of April, 2009 or any subsequent assessment year and during the course of the proceeding for the assessment of total income, a reference under sub-section (1) of section 92CA-

(i) is made before the 1st day of July, 2012, but an order under sub-section (3) of that section has not been made before such date; or

(ii) is made on or after the 1st day of July, 2012,

the provisions of clause (a) shall, notwithstanding anything contained in the first proviso, have effect as if for the words "two years", the words "three years" had been substituted;';

(ii) in sub-section (2),-

(a) in the second proviso, after the words, figures and letters *"on or after the 1st day of April, 2005"*, the words, figures and letters "but before the 1st day of April, 2011" shall be inserted;

(b) in the third proviso, after the words, figures and letters *"the 1st day of April, 2006*", the words, figures and letters "but before the 1st day of April, 2010" shall be inserted;

(c) after the third proviso, the following proviso shall be inserted, namely:-

'Provided also that where the notice under section 148 was served on or after the 1st day of April, 2010 and during the course of the proceedings for the assessment or reassessment or recomputation of total income, a reference under sub-section (1) of section 92CA-

(i) is made before the 1st day of July, 2012, but an order under sub-section (3) of that section has not been made before such date; or

(ii) is made on or after the 1st day of July, 2012,

the provisions of this sub-section shall, notwithstanding anything contained in the second proviso, have effect as if for the words "one year", the words "two years" had been substituted;';

(iii) in sub-section (2A),-

(a) in the second proviso, after the words, figures and letters "the 1st day of April, 2005", the words, figures and letters "but before the 1st day of April, 2011" shall be inserted;

(b) in the third proviso, after the words, figures and letters "the 1st day of April, 2006", the words, figures and letters "but before the 1st day of April, 2010" shall be inserted;

(c) after the third proviso, the following proviso shall be inserted, namely:-

'Provided also that where the order under section 254 is received by the Chief Commissioner or Commissioner or, as the case may be, the order under section 263 or section 264 is passed by the Commissioner on or after the 1st day of April, 2010, and during the course of the proceedings for the fresh assessment of total income, a reference under sub-section (1) of section 92CA-

(i) is made before the 1st day of July, 2012, but an order under sub-section (3) of section 92CA has not been made before such date; or

(ii) is made on or after the 1st day of July, 2012,

the provisions of this sub-section shall, notwithstanding anything contained in the second proviso, have effect as if for the words "one year", the words "two years" had been substituted;';

(B) in Explanation 1,-

(a) in clause (viii), for the words "six months", the words "one year" shall be substituted with effect from the 1st day of July, 2012;

(b) after clause (viii) and before the words "shall be excluded", the following clause shall be inserted with effect from the 1st day of April, 2013, namely:-

"(ix) the period commencing from the date on which a reference for declaration of an arrangement to be impermissible avoidance arrangement is received by the Commissioner under sub-section (1) of section 144BA and ending on the date on which a direction under sub-section (3) or sub-section (6) or an order under sub-section (5) of the said section is received by the Assessing Officer,".

67. Amendment of section 153A.-In section 153A of the Income-tax Act, in sub-section (1), after the second proviso, the following proviso shall be inserted with effect from the 1st day of July, 2012, namely:-

"Provided also that the Central Government may by rules made by it and published in the Official Gazette (except in cases where any assessment or reassessment has abated under the second proviso), specify the class or classes of cases in which the Assessing Officer shall not be required to issue notice for assessing or reassessing the total income for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made.".

68. Amendment of section 153B.-In section 153B of the Income-tax Act,-

(I) in sub-section (1) with effect from the 1st day of July, 2012,-

(i) in the second proviso, for the words, figures and letters "on the 1st day of April, 2004 or any subsequent financial year", the words, figures and letters "on or after the 1st day of April, 2004 but before the 1st day of April, 2010" shall be substituted;

(ii) in the third proviso for the words, figures and letters "on the 1st day of April, 2005 or any subsequent financial year", the words, figures and letters "on or after the 1st day of April, 2005 but before the 1st day of April, 2009" shall be substituted;

(iii) after the third proviso, the following proviso shall be inserted, namely:-

'Provided also that in case where the last of the authorisations for search under section 132 or for requisition under section 132A was executed during the financial year commencing on the 1st day of April, 2009 or any subsequent financial year and during the course of the proceedings for the assessment or reassessment of total income, a reference under sub-section (1) of section 92CA-

(i) was made before the 1st day of July, 2012, but an order under sub-section (3) of section 92CA has not been made before such date; or

(ii) is made on or after the 1st day of July, 2012,

the provisions of clause (a) or clause (b) of this sub-section, shall, notwithstanding anything contained in clause (i) of the second proviso, have effect as if for the words "two years", the words "three years" had been substituted.'.

(iv) in the fourth proviso for the words, figures and letters "on the 1st day of April, 2005 or any subsequent financial year", the words, figures and letters "on or after the 1st day of April, 2005 but before the 1st day of April, 2009" shall be substituted;

(v) after the fourth proviso, the following proviso shall be inserted, namely:-

"Provided also that in case where the last of the authorisations for search under section 132 or for requisition under section 132A was executed during the financial year commencing on the 1st day of April, 2009 or any subsequent financial year and during the course of proceedings for the assessment or reassessment of total income in case of other person referred to in section 153C, a reference under sub-section (1) of section 92CA-

(i) was made before the 1st day of July, 2012 but an order under sub-section (3) of section 92CA has not been made before such date; or

(ii) is made on or after the 1st day of July, 2012,

the period of limitation for making the assessment or reassessment in case of such other person shall, notwithstanding anything contained in clause (ii) of the second proviso, be the period of thirty-six months from the end of the financial year in which the last of the authorisations for search under section 132 or for requisition under section 132A was executed or twenty-four months from the end of the financial year in which books of account or documents or assets seized or requisitioned are handed over under section 153C to the Assessing Officer having jurisdiction over such other person, whichever is later.";

(II) in the Explanation,-

(a) in clause (viii), for the words "six months", the words "one year" shall be substituted with effect from the 1st day of July, 2012;

(b) after clause (viii) and before the words "shall be excluded", the following clause shall be inserted with effect from the 1st day of April, 2013, namely:-

"(ix) the period commencing from the date on which a reference for declaration of an arrangement to be impermissible avoidance arrangement is received by the Commissioner under sub-section (1) of section 144BA and ending on the date on which a direction under sub-section (3) or sub-section (6) or an order under sub-section (5) of the said section is received by the Assessing Officer*,".*

69. Amendment of section 153C.-In section 153C of the Income-tax Act, in sub-section (1), after the proviso, the following proviso shall be inserted with effect from the 1st day of July, 2012, namely:-

"Provided further that the Central Government may by rules made by it and published in the Official Gazette, specify the class or classes of cases in respect of such other person, in which the Assessing Officer shall not be required to issue notice for assessing or reassessing the total income for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made except in cases where any assessment or reassessment has abated.".

70. Amendment of section 154.-In section 154 of the Income-tax Act, with effect from the 1st day of July, 2012,-

(a) in sub-section (1), after clause (b), the following clause shall be inserted, namely:-

"(c) amend any intimation under sub-section (1) of section 200A.";

(b) in sub-section (2), in clause (b), for the words "by the assessee", the words "by the assessee or by the deductor," shall be substituted;

(c) in sub-section (3), for the words "the assessee", wherever they occur, the words "the assessee or the deductor" shall respectively be substituted;

(d) for sub-section (5), the following sub-section shall be substituted, namely:-

"(5) Where any such amendment has the effect of reducing the assessment or otherwise reducing the liability of the assessee or the deductor, the Assessing Officer shall make any refund which may be due to such assessee or the deductor.";

(e) in sub-section (6), for the words "already made, the Assessing Officer shall serve on the assessee", the words "already made or otherwise increasing the liability of the assessee or the deductor, the Assessing Officer shall serve on the assessee or the deductor, as the case may be" shall be substituted;

(f) in sub-section (8), for the words "by the assessee", the words "by the assessee or by the deductor" shall be substituted.

71. Amendment of section 156.-In section 156 of the Income-tax Act, for the proviso, the following proviso shall be substituted with effect from the 1st day of July, 2012, namely:-

"Provided that where any sum is determined to be payable by the assessee or by the deductor under sub-section (1) of section 143 or sub-section (1) of section 200A, the intimation under those sub-sections shall be deemed to be a notice of demand for the purposes of this section.".

72. Amendment of section 193.-In section 193 of the Income-tax Act, in the proviso, for clause (v), the following clause shall be substituted with effect from the 1st day of July, 2012, namely:-

"(v) any interest payable to an individual or a Hindu undivided family, who is resident in India, on any debenture issued by a company in which the public are substantially interested, if-

(a) the amount of interest or, as the case may be, the aggregate amount of such interest paid or likely to be paid on such debenture during the financial year by the company to such individual or Hindu undivided family does not exceed five thousand rupees; and

(b) such interest is paid by the company by an account payee cheque;".

73. Amendment of section 194E.-In section 194E of the Income-tax Act, with effect from the 1st day of July, 2012,-

(a) after the words and brackets "is payable to a non-resident sportsman (including an athlete)", the words "or an entertainer," shall be inserted;

(b) for the words "ten per cent", the words "twenty per cent" shall be substituted.

74. Amendment of section 194J.-In section 194J of the Income-tax Act, in sub-section (1), after clause (b), the following clause shall be inserted with effect from the 1st day of July, 2012, namely:-

"(ba) any remuneration or fees or commission by whatever name called, other than those on which tax is deductible under section 192, to a director of a company; or".

75. Amendment of section 194LA.-In section 194LA of the Income-tax Act, in the proviso, for the words "one hundred thousand rupees", the words "two hundred thousand rupees" shall be substituted with effect from the 1st day of July, 2012.

76. Insertion of new section 194LC.-After section 194LB of the income-tax Act, the following section shall be inserted with effect from the 1st day of July, 2012, namely:-

'194LC. **Income by way of interest from Indian company** -(1) Where any income by way of interest referred to in sub-section (2) is payable to a non-resident, not being a company or to a foreign company by a specified company, the person responsible for making the payment, shall at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct the income-tax thereon at the rate of five per cent.

(2) The interest referred to in sub-section (1) shall be the income by way of interest payable by the specified company,-

(i) in respect of monies borrowed by it at any time on or after the 1st day of July, 2012 but before the 1st day of July, 2015 in foreign currency, from a source outside India

(a) under a loan agreement; or

(b) by way of issue of long-term infrastructure bonds,

as approved by the Central Government in this behalf; and

(ii) to the extent to which such interest does not exceed the amount of interest calculated at the rate approved by the Central Government in this behalf, having regard to the terms of the loan or the bond and its repayment.

Explanation.-For the purpose of this section-

(a) "foreign currency" shall have the meaning assigned to it in clause (m) of section 2 of the Foreign Exchange Management Act, 1999; **(42 of 1999)**

(b) "specified company" means an Indian company.'.

77. Amendment of section 195.-In section 195 of the Income-tax Act,-

(a) in sub-section (1),-

(i) for the words "any interest", the words, brackets, figures and letters "any interest (not being interest referred to in section 194LB or section 194LC)" shall be substituted;

(ii) the Explanation shall be numbered as Explanation 1 thereof, and after Explanation 1 as so numbered, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1962, namely:-

"Explanation 2.-For the removal of doubts, it is hereby clarified that the obligation to comply with sub-section (1) and to make deduction thereunder applies and shall be deemed to have always applied and extends and shall be deemed to have always extended to all persons, resident or non-resident, whether or not the non-resident person has-

(i) a residence or place of business or business connection in India; or

(ii) any other presence in any manner whatsoever in India.";

(b) after sub-section (6), the following sub-section shall be inserted with effect from the 1st day of July, 2012, namely:-

"(7) Notwithstanding anything contained in sub-section (1) and sub-section (2), the Board may, by notification in the Official Gazette, specify a class of persons or cases, where the person responsible for paying to a non-resident, not being a company, or to a foreign company, any sum, whether or not chargeable under the provisions of this Act, shall make an application to the Assessing Officer to determine, by general or special order, the appropriate proportion of sum chargeable, and upon such determination, tax shall be deducted under sub-section (1) on that proportion of the sum which is so chargeable.".

78. Amendment of section 197A.-In section 197A of the Income-tax Act, with effect from the 1st day of July, 2012,-

(a) in sub-section (1C), for the words "sixty-five years", the words "sixty years" shall be substituted;

(b) after sub-section (1E), the following sub-section shall be inserted, namely:-

"(1F) Notwithstanding anything contained in this Chapter, no deduction of tax shall be made from such specified payment to such institution, association or body or class of institutions, associations or bodies as may be notified by the Central Government in the Official Gazeete, in this behalf,".

79. Amendment of section 201.-In section 201 of the Income-tax Act,-

(A) with effect from the 1st day of July, 2012,-

(i) in sub-section (1),-

(a) before the proviso, the following proviso shall be inserted, namely:-

"Provided that any person, including the principal officer of a company, who fails to deduct the whole or any part of the tax in accordance with the provisions of this Chapter on the sum paid to a resident or on the sum credited to the account of a resident shall not be deemed to be an assessee in default in respect of such tax if such resident-

(i) has furnished his return of income under section 139;

(ii) has taken into account such sum for computing income in such return of income; and

(iii) has paid the tax due on the income declared by him in such return of income,

and the person furnishes a certificate to this effect from an accountant in such form as may be prescribed:";

(b) in the proviso, for the words "Provided that", the words "Provided further that" shall be substituted;

(ii) after sub-section (1A), the following proviso shall be inserted, namely:-

"Provided that in case any person, including the principal officer of a company fails to deduct the whole or any part of the tax in accordance with the provisions of this Chapter on the sum paid to a resident or on the sum credited to the account of a resident but is not deemed to be an assessee in default under the first proviso of sub-section (1), the interest under clause (i) shall be payable from the date on which such tax was deductible to the date of furnishing of return of income by such resident.";

(B) in sub-section (3), in clause (ii), for the words "four years", the words "six years" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2010;

(C) after sub-section (4), the following Explanation shall be inserted with effect from the 1st day of July, 2012, namely:-

"Explanation.-For the purposes of this section, the expression "accountant" shall have the meaning assigned to it in the Explanation to sub-section (2) of section 288.".

80. Amendment of section 204.-In section 204 of the Income-tax Act, after clause (iii) and before the Explanation, the following clause shall be inserted with effect from the 1st day of July, 2012, namely:-

"(iv) in the case of credit, or as the case may be, payment of any sum chargeable under the provisions of this Act made by or on behalf of the Central Government or the Government of a State, the drawing and disbursing officer or any other person, by whatever name called, responsible for crediting, or as the case may be, paying such sum.".

81. Amendment of section 206C.-In section 206C of the Income-tax Act, with effect from the 1st day of July, 2012,-

(a) in sub-section (1), in the Table, after serial number (vi) and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

Sl.No.	Nature of goods	Percentage
(1)	(2)	(3)
"(vii)	Menerals, being coal or lignite or iron ore	one percent;"

(b) in sub-section (1A), after the words "articles or things", the words "or for the purposes of generation of power" shall be inserted;

(c) after sub-section (1C), the following sub-section shall be inserted, namely:-

"(1D) Every person, being a seller, who receives any amount in cash as consideration for sale of bullion (excluding any coin or any other article weighing ten grams or less) or jewellery, shall, at the time of receipt of such amount in cash, collect from the buyer, a sum equal to one per cent of sale consideration as income-tax,if such consideration, -

(i) for bullion, exceeds two hundred thousand rupees; or

(ii) for jewellery, exceeds five hundred thousand rupees.";

(d) in sub-section (2), after the words, brackets, figure and letter "or sub-section (1C)", the words, brackets, figure and letter "or sub-section (1D)" shall be inserted;

(e) in sub-section (3), after the words, brackets, figure and letter "or sub-section (1C)", the words, brackets, figure and letter "or sub-section (1D)" shall be inserted;

(f) in sub-section (6A),-

(A) before the proviso, the following proviso shall be inserted, namely:-

"Provided that any person, other than a person referred to in sub-section (1D), responsible for collecting tax in accordance with the provisions of this section, who fails to collect the whole or any part of the tax on the amount received from a buyer or licensee or lessee *or on the amount debited to the account of the buyer or licensee or lessee shall not be deemed to be an assessee in default in respect of such tax if such buyer or licensee or lessee-*

(i) has furnished his return of income under section 139;

(ii) has taken into account such amount for computing income in such return of income; and

(iii) has paid the tax due on the income declared by him in such return of income,

and the person furnishes a certificate to this effect from an accountant in such form as may be prescribed:";

(B) in the proviso, for the words "Provided that", the words "Provided further that" shall be substituted;

(g) in sub-section (7), the following proviso shall be inserted, namely:-

"Provided that in case any person, other than a person referred to in sub-section (1D), responsible for collecting tax in accordance with the provisions of this section, fails to collect the whole or any part of the tax on the amount received from a buyer or licensee or lessee or on the amount debited to the account of the buyer or licensee or lessee but is not deemed to be an assessee in default under the first proviso of sub-section (6A), the interest shall be payable from the date on which such tax was collectible to the date of furnishing of return of income by such buyer or licensee or lessee.";

(h) in sub-section (9), after the words, brackets, figure and letter "or sub-section (1C)" at both the places where they occur, the words, brackets, figure and letter "or sub-section (1D)" shall be inserted;

(i) in the Explanation, occurring at the end,-

(I) for clause (a), the following clauses shall be substituted, namely:-

'(a) "accountant" shall have the meaning assigned to it in the Explanation to sub-section (2) of section 288;

(aa) "buyer" with respect to-

(i) sub-section (1) means a person who obtains in any sale, by way of auction, tender or any other mode, goods of the nature specified in the Table in sub-section (1) or the right to receive any such goods but does not include,-

(A) a public sector company, the Central Government, a State Government, and an embassy, a High Commission, legation, commission, consulate and the trade representation, of a foreign State and a club; or

(B) a buyer in the retail sale of such goods purchased by him for personal consumption;

(ii) sub-section (1D) means a person who obtains in any sale, goods of the nature specified in the said sub-section;

(ab) "jewellery" shall have the meaning assigned to it in the Explanation to sub-clause (ii) of clause (14) of section 2.';

(II) in clause (c), after the words, brackets and figure "in sub-section (1)", the words, brackets, figure and letter "or sub-section (1D)" shall be inserted.

82. Amendment of section 207.-Section 207 of the Income-tax Act shall be renumbered as sub-section (1) thereof and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:-

‘(2) The provisions of sub-section (1) shall not apply to an individual resident in India, who-

(a) does not have any income chargeable under the head "Profits and gains of business or profession"; and

(b) is of the age of sixty years or more at any time during the previous year.",

83. Amendment of section 209.-In section 209 of the Income-tax Act, in sub-section (1), in clause (d), the following proviso shall be inserted, namely:-

"Provided that for computing liability for advance tax, income-tax calculated under clause (a) or clause (b) or clause (c) shall not, in each case, be reduced by the aforesaid amount of income-tax which would be deductible or collectible at source during the said financial year under any provision of this Act from any income, if the person responsible for deducting tax has paid or credited such income without deduction of tax or it has been received or debited by the person responsible for collecting tax without collection of such tax.".

84. Amendment of section 220.-In section 220 of the Income-tax Act, after sub-section (2A), the following sub-section shall be inserted, with effect from the 1st day of July, 2012, namely:-

"(2B) Notwithstanding anything contained in sub-section (2), where interest is charged under sub-section (1A) of section 201 on the amopunt of tax specified in the intimation issued under sub-section (1) of section 200A for any period, then, no interest shall be charged under sub-section (2) on the same amount for the same period."

85. Amendment of section 234A.-In section 234A of the Income-tax Act, in sub-section (1), in clause (vi), after the word, figures and letters "section 115JAA", the words, figures and letters "or section 115JD" shall be inserted with effect from the 1st day of April, 2013.

86. Amendment of section 234B.-In section 234B of the Income-tax Act, in sub-section (1), in Explanation 1, in clause (v), after the word, figures and letters "section 115JAA", the words, figures and letters "or section 115JD" shall be inserted with effect from the 1st day of April, 2013.

87. Amendment of section 234C.-In section 234C of the Income-tax Act, in sub-section (1), in the Explanation, in clause (v), after the word, figures and letters "section 115JAA", the words, figures and letters "or section 115JD" shall be inserted with effect from the 1st day of April, 2013.

88. Amendment of section 234D.-In section 234D of the Income-tax Act, the Explanation shall be numbered as Explanation 1 thereof and after Explanation 1 as so numbered, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2003, namely:-

"Explanation 2.-For the removal of doubts, it is hereby declared that the provisions of this section shall also apply to an assessment year commencing before the 1st day of June, 2003 if the proceedings in respect of such assessment year is completed after the said date.".

89. Insertion of new section 234E.-After section 234D of the Income-tax Act, the following sub-heading and section shall be inserted with effect from the 1st day of July, 2012, namely:-

"G.-Levy of fee in certain cases

234E. **Fee for defaults in furnishing statements.**-*(1) Without prejudice to the provisions of the Act, where a person fails to deliver or cause to be delivered a statement within the time prescribed in sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C, he shall be liable to pay, by way of fee, a sum of two hundred rupees for every day during which the failure continues.*

(2) The amount of fee referred to in sub-section (1) shall not exceed the amount of tax deductible or collectible, as the case may be.

(3) The amount of fee referred to in sub-section (1) shall be paid before delivering or causing to be delivered a statement in accordance with sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C.

(4) The provisions of this section shall apply to a statement referred to in sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C which is to be delivered or caused to be delivered for tax deducted at source or tax collected at source, as the case may be, on or after the 1st *day of July, 2012.".*

90. Amendment of section 245C.-In section 245C of the Income-tax Act, in sub-section (1), in the proviso, in the Explanation, in clause (b), for the words "at any time during the previous year", at both the places where they occur, the words "on the date of search" shall respectively be substituted with effect from the 1st day of July, 2012.

91. Amendment of section 245N-In section 245N of the Income-tax Act, with effect from the 1st day if april 2013-

(I) in clause (a) after-sub-clause (iii) and before the proviso, the following sub-clause shall be inserted, namely:-

"(iv) determination or dicision by the Authority whether an arrangement, which is proposed to be undertaken by any person being a resident or a non-resident is an impermissible avoidance arragement as reffered to in Chapter X-A or not."

(II) in clause (b)-

(i) in sub-clause (iii) for the word "and", occurring at the end, the word"or" shall be substituted;

(ii) after sub-clause (iii) the following sub clause shall be inserted, namely:-

"(iiia) is referred to in sub-clause(iv) of clause (a) and".

92. Amendment of section 245Q.-In section 245Q of the Income-tax Act, in sub-section (2), for the words "two thousand five hundred rupees", the words "ten thousand rupees or such fee as may be prescribed in this behalf, whichever is higher" shall be substituted with effect from the 1st day of July, 2012.

93. Amendment of section 245R-In section 245R of the Income-tax Act, in sub-section (2), in the first proviso, in clause (iii), after the word, figures anbd letter "section 245N", the words brackets, figures and letters" or in the case of an applicant falling in sub-clause(iiia) of clause (b) of section 245N" shall be inserted with effect from the 1st day of April, 2013.

94 . Amendment of section 246A.-In section 246A of the Income-tax Act, in sub-section (1),-

(i) for the words "Any assessee aggrieved", the words "Any assessee or any deductor aggrieved" shall be substituted with effect from the 1st day of July, 2012:

(ii) in clause (a),-

(I) for the words and figures "section 143, where the assessee objects", the words, figures, brackets and letter "section 143 or sub-section (f) of section 200A, where the assessee or the deductor objects" shall be substituted with effect from the 1st day of July, 2012;

(II) for the words "except an order passed in pursuance of directions of the Dispute Resolution Panel", the brackets, words, figures and *letters "[except an order passed in pursuance of directions of the Dispute Resolution Panel or an order referred to in sub-section (12) of* section 144BA]" shall be substituted with effect from the 1st day of April, 2013;

(iii) in clause (b), for the words *"except an order passed in pursuance of directions of the Dispute Resolution Panel"*, the brackets, words, figures and letters "[except an order passed in pursuance of directions of the Dispute Resolution Panel or an order referred to in sub-section (12) of section 144BA]" shall be substituted with effect from the 1st day of April, 2013;

(iv) in clause (ba),-

(I) for the words, figures and letter "under section 153A", the words, figures, letter and brackets "under section *153A [except an order passed in pursuance of directions of the Dispute Resolution Panel]"* shall be substituted with effect from the 1st day of October, 2009;

(II) for the words *"Dispute Resolution Panel"*, the words, brackets, figures and letter, "Dispute Resolution Panel or an order referred to in sub-section (12) of section 144BA" shall be substituted with effect from the 1st day of April, 2013;

(v) after clause (ba), the following clause shall be inserted with effect from the 1st day of July, 2012, namely:-

"(bb) an order *of assessment or reassessment under sub-section (3) of section 92CD;";*

(vi) in clause (c), after the words *"either of the said sections"*, the words, brackets, figures and letters "except where it is in respect of an order referred to in sub-section (12) of section 144BA" shall be inserted with effect from the 1st day of April, 2013.

(vii) in clause (j), in sub-clause (B), after the word, figures and letters "section 271AAA", the word, figures and letters", "section 271AAB" shall be inserted with effect from the 1st day of July, 2012.

95. Amendment of section 253.-In section 253 of the Income-tax Act,-

(A) in sub-section (1),-

(i) in clause (d), for the word and figures *"section 147"*, the words, figures and letters *"section 147 or section 153A or section 153C"* shall be substituted with effect from the 1st day of October, 2009;

(ii) after clause (d), the following clause shall be inserted with effect from the 1st day of April, 2013, namely:-

"(e) an order passed by an Assessing Officer under sub-section (3) of section 143 or section 147 or section 153A or section 153C with the approval of the Commissioner as referred to in sub-section (12) of section 144BA or an order passed under section 154 or section 155 in respect of such order;";

(B) with effect from the 1st day of July, 2012,-

(i) after sub-section (2), the following sub-section shall be inserted, namely:-

"(2A) The Commissioner may, if he objects to any direction issued by the Dispute Resolution Panel under sub-section (5) of section 144C in respect of any objection filed on or after the 1st day of July, 2012, by the assessee under sub-section (2) of section 144C in pursuance of which the Assessing Officer has passed an order completing the assessment or reassessment, direct the Assessing Officer to appeal to the Appellate Tribunal against the order.";

(ii) after sub-section (3), the following sub-section shall be inserted, namely:-

"(3A) Every appeal under sub-section (2A) shall be filed within sixty days of the date on which the order sought to be appealed against is passed by the Assessing Officer in pursuance of the directions of the Dispute Resolution Panel under sub-section (5) of section 144C";

(iii) for sub-section (4), the following sub-section shall be substituted, namely:-

"(4) The Assessing Officer or the assessee, as the case may be, on receipt of notice that an appeal against the order of the Deputy Commissioner (Appeals) or, as the case may be, the Commissioner (Appeals) or the Assessing Officer in pursuance of the directions of the Dispute Resolution Panel has been preferred under sub-section (1) or sub-section (2) or sub-section (2A) by the other party, may, notwithstanding that he may not have appealed against such order or any part thereof; within thirty days of the receipt of the notice, file a memorandum of cross-objections, verified in the prescribed manner, against any part of the order of the Assessing Officer (in pursuance of the directions of the Dispute Resolution Panel) or Deputy Commissioner (Appeals) or, as the case may be, the Commissioner (Appeals), and such memorandum shall be disposed of by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (3) or sub-section (3A).".

96. Amendment of Section 254.-In section 254 of the Income-tax Act, in sub-section (2A), after the words, brackets and figures *"under sub-section (1) or sub-section (2)"*, the words, brackets, figure and letter *"or sub-section (2A)"* shall be inserted with effect from the 1st day of July, 2012.

97. Amendment of Section 271.-In section 271 of the Income-tax Act, in sub-section (1), in Explanation 7, for the words "international transaction", the words *"international transaction or specified domestic transaction"* shall be substituted with effect from the 1st day of April, 2013.

98. **Substitution of new section for section 271AA.-** For *section* 271AA of the Income-tax Act, the following section shall be substituted with effect from the 1st day of July, 2012, namely:-

"271 AA. **Penalty for failure to keep and maintain information and document, etc., in respect of certain transactions.-***Without prejudice to the provisions of section 271 or section 271BA, if any person in respect of an international transaction,-*

(i) fails to keep and maintain any such information and document as required by sub-section information (1) or sub-section (2) of section 92D;

(ii) fails to report such transaction which he is required to do so; or

(iii) maintains or furnishes an incorrect information or document,

the Assessing Officer or Commissioner (Appeals) may direct that such person shall pay, by way of penalty, a sum equal to two per cent, of the value of each international transaction entered into by such person.".

99. **Amendment of section 271AA.-**In section 271AA of the Income-tax Act, as so substituted by section 93 of this Act, for the words *"international transaction"*, the words *"international transaction or specified domestic transaction"* shall be substituted with effect from the 1st day of April, 2013.

100. Amendment of section 271AAA.-In section 271AAA of the Income-tax Act, in sub-section (1), after the words, figures and letters "on or after the 1st day of June, 2007", the words, figures and letters *"but before the 1st day of July, 2012"* shall be inserted.

101. Insertion of new section 271AAB.-After section 271AAA of the Income-tax Act, the following section shall be inserted with effect from the 1st day of July, 2012, namely:-

'271AAB. **Penalty where search has been initiated.-**(1) The Assessing Officer may, notwithstanding anything contained in any other provisions of this Act, direct that, in a case where search has been initiated under section 132 on or after the 1st day of July, 2012, the assessee shall pay by way of penalty, in addition to tax, if any, payable by him,-

(a) a sum computed at the rate of ten per cent, of the undisclosed income of the specified previous year, if such assessee-

(i) in the course of the search, in a statement under sub-section (4) of section 132, admits the undisclosed income and specifies the manner in which such income has been derived;

(ii) substantiates the manner in which the undisclosed income was derived; and

(iii) on or before the specified date-

(A) pays the tax, together with interest, if any, in respect of the undisclosed income; and

(B) furnishes the return of income for the specified previous year declaring such undisclosed income therein;

(b) a sum computed at the rate of twenty per cent, of the undisclosed income of the specified previous year, if such assessee-

(i) in the course of the search, in a statement under sub-section (4) of section 132, does not admit the undisclosed income; and

(ii) on or before the specified date-

(A) declares such income in the return of income furnished for the specified previous year; and

(B) pays the tax, together with interest, if any, in respect of the undisclosed income;

(c) a sum which shall not be less than thirty per cent, but which shall not exceed ninety per cent, of the undisclosed income of the specified previous year, if it is not covered by the provisions of clauses (a) and (b).

(2) No penalty under the provisions of clause (c) of sub-section (1) of section 271 shall be imposed upon the assessee in respect of the undisclosed income referred to in sub-section (1).

(3) The provisions of sections 274 and 275 shall, as far as may be, apply in relation to the penalty referred to in this section.

Explanation.- For the purposes of this section,-

(a) "specified date" means the due date of furnishing of return of income under sub-section (1) of section 139 or the date on which the period specified in the notice issued under section 153A for furnishing of return of income expires, as the case may be;

(b) "specified previous year" means the previous year-

(i) which has ended before the date of search, but the date of furnishing the return of income under sub-section (1) of section 139 for such year has not expired before the date of search and the assessee has not furnished the return of income for the previous year before the date of search; or

(ii) in which search was conducted;

(c) "undisclosed income" means-

(i) any income of the specified previous year represented, either wholly or partly, by any money, bullion, jewellery or other valuable article or thing or any entry in the books of account or other documents or transactions found in the course of a search under section 132, which has-

(A) not been recorded on or before the date of search in the books of account or other documents maintained in the normal course relating to such previous year; or

(B) otherwise not been disclosed to the Chief Commissioner or Commissioner before the date of search; or

(ii) any income of the specified previous year represented, either wholly or partly, by any entry in respect of an expense recorded in the books of account or other documents maintained in the normal course relating to the specified previous year which is found to be false and would not have been found to be so had the search not been conducted.'.

102 Amendment of section 271G.-In section 271G of the Income-tax Act, for the words "international transaction", at both the places where they occur, the words "international transaction or specified domestic transaction" shall respectively be substituted with effect from the 1st day of April, 2013.

103. Insertion of new section 271H.-After section 271G of the Income-tax Act, the following section shall be inserted with effect from the 1st day of July, 2012, namely:-

"271H. **Penalty for failure to furnish statements, etc.-** *(1) Without prejudice to the provisions of the Act, a person shall be liable to pay penalty, if, he-*

(a) fails to deliver or cause to be delivered a statement within the time prescribed in subsection (3) of section 200 or the proviso to sub-section (3) of section 206C; or

(b) furnishes incorrect information in the statement which is required to be delivered or cause to be delivered under sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C.

(2) The penalty referred to in sub-section (1) shall be a sum which shall not be less than ten thousand rupees but which may extend to one lakh rupees.

(3) Notwithstanding anything contained in the foregoing provisions of this section, no penalty shall be levied for the failure referred to in clause (a) of sub-section (1), if the person proves that after paying tax deducted or collected along with the fee and interest, if any, to the credit of the Central Government, he had delivered or cause to be delivered the statement referred to in subsection (3) of section 200 or the proviso to sub-section (3) of section 206C before the expiry of a period of one year from the time prescribed for delivering or causing to be delivered such statement.

(4) The provisions of this section shall apply to a statement referred to in sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C which is to be delivered or caused to be delivered for tax deducted at source or tax collected at source, as the case may be, on or after the 1st day of July, 2012.".

104. **Amendment of section 272A.-** In section 272A of the Income-tax Act, in sub-section (2), after the proviso, the following proviso shall be inserted with effect from the 1st day of July, 2012, namely:-

"Provided further that no penalty shall be levied under this section for the failure referred to in clause (k), if such failure relates to a statement referred to in sub-section (3) of section 200 or the proviso to sub-section (3) of section 206C which is to be delivered or caused to be delivered for tax deducted at source or tax collected at source, as the case may be, on or after the 1st day of July, 2012.".

105. Amendment of section 273B.-In section 273B of the Income-tax Act, after the word, figures and letter "section 271G,", the word, figures and letter "section 271H," shall be inserted with effect from the 1st day of July, 2012.

106. Amendment of section 276C.-In section 276C of the Income-tax Act, with effect from the 1st day of July, 2012,-

(i) in sub-section (1),-

(a) in clause (i), for the words "one hundred thousand rupees", the words "twenty-five hundred thousand rupees" shall be substituted;

(b) in clause (ii), for the words "three years", the words "two years" shall be substituted;

(ii) in sub-section (2), for the words "three years", the words "two years" shall be substituted.

107. Amendment of section 276CC.-In section 276CC of the Income-tax Act, with effect from the 1st day of July, 2012,-

(a) in clause (i), for the words "one hundred thousand rupees", the words "twenty-five hundred thousand rupees" shall be substituted;

(b) in clause (ii), for the words "three years", the words "two years" shall be substituted.

108. Amendment of section 277.-In section 277 of the Income-tax Act, with effect from the 1st day of July, 2012,-

(a) in clause (i), for the words "one hundred thousand rupees", the words "twenty-five hundred thousand rupees" shall be substituted;

(b) in clause (ii), for the words "three years", the words "two years" shall be substituted.

109. Amendment of section 277A.- In section 277A of the Income-tax Act, for the words "three years", the words "two years" shall be substituted with effect from the 1st day of July, 2012.

110. Amendment of section 278.-In section 278 of "the Income-tax Act, with effect from the 1st day of July, 2012,-

(a) in clause (i), for the words "one hundred thousand rupees", the words "twenty-five hundred thousand rupees" shall be substituted;

(b) in clause (ii), for the words "three years", the words "two years" shall be substituted.

111. Insertion of new sections 280A, 280B, 280C and 280D.-In Chapter XXII of the Income-tax Act, after section 280, the following sections shall be inserted, with effect from the 1st day of July, 2012, namely:-

"280A. **Special Courts.-***(1) The Central Government, in consultation with the Chief Justice of the High Court, may, for trial of offences punishable under this Chapter, by notification, designate one or more courts of Magistrates of the first class as Special Court for such area or areas or for such cases or class or group of cases as may be specified in the notification.*

Explanation.- *In this sub-section, "High Court" means the High Court of the State in which a Magistrate of first class designated as Special Court was functioning immediately before such designation.*

(2) While trying an offence under this Act, a Special Court shall also try an offence, other than an offence referred to in sub-section (1), with which the accused may, under the Code of Criminal Procedure, 1973, be charged at the same trial. **(2 to 1974.)**

280B. **Offences triable by Special Court.-***Notwithstanding anything contained in the Code of Criminal Procedure, 1973,-* ***(2 to 1974.)***

(a) the offences punishable under this Chapter shall be triable only by the Special Court, if so designated, for the area or areas or for cases or class or group of cases, as the case may be, in which the offence has been committed:

Provided that a court competent to try offences under section 292,-

(i) which has been designated as a Special Court under this section, shall continue to try the offences before it or offences arising under this Act after such designation;

(ii) which has not been designated as a Special Court may continue to try such offence pending before it till its disposal;

(b) a Special Court may, upon a complaint made by an authority authorised in this behalf under this Act take cognizance of the offence for which the accused is committed for trial.

280C. **Trial of offences as summons case.-** *Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the Special Court, shall try, an offence under this Chapter punishable with imprisonment not exceeding two years or with fine or with both, as a summons case, and the provisions of the Code of Criminal Procedure, 1973 as applicable in the case of trial of summons case, shall apply accordingly.* **(2 to 1974.)**

280D. **Application of Code of Criminal Procedure, 1973 to proceedings before Special Court.-** *(1) Save as otherwise provided in this Act, the provisions of the Code of Criminal Procedure, 1973 (including the provisions as to bails or bonds), shall apply to the proceedings before a Special Court and the person conducting the prosecution before the Special Court, shall be deemed to be a Public Prosecutor:* **(2 to 1974.)**

Provided that the Central Government may also appoint for any case or class or group of cases a Special Public Prosecutor.

(2) A person shall not be qualified to be appointed as a Public Prosecutor or a Special Public Prosecutor under this section unless he has been in practice as an advocate for not less than seven years, requiring special knowledge of law.

(3) *Every person appointed as a Public Prosecutor or a Special Public Prosecutor under this section shall be deemed to be a Public Prosecutor within the meaning of clause (u) of section 2 of the Code of Criminal Procedure, 1973 and the provisions of that Code shall have effect accordingly.".* **(2 to 1974.)**

112. Insertion of new section 292CC.- After section 292C of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1976, namely:-

"292CC. **Authorisation and assessment in case of search or requisition.-***(1) Notwithstanding anything contained in this Act,-*

(i) it shall not be necessary to issue an authorisation under section 132 or make a requisition under section 132A separately in the name of each person;

(ii) where an authorisation under section 132 has been issued or requisition under section 132A has been made mentioning therein the name of more than one person, the mention of such names of more than one person on such authorisation or requisition shall not be deemed to construe that it was issued in the name of an association of persons or body of individuals consisting of such persons.

(2) Notwithstanding that an authorisation under section 132 has been issued or requisition under section 132A has been made mentioning therein the name of more than one person, the assessment or reassessment shall be made separately in the name of each of the persons mentioned in such authorisation or requisition.".

113. Amendment of section 296.-In section 296 of the Income-tax Act, after the word and figures "section 139", the words, brackets, figures and letter "or third proviso to sub-section (1) of section 153A or second proviso to sub-section (1) of section 153C" shall be inserted with effect from the 1st day of July, 2012.

114. Amendment of Fourth Schedule.-In the Fourth Schedule to the income-tax Act, in Part A, Rule 3, in sub-Rule(1), in the first proviso, for the words, figures and letters" the 31st day of March, 2012", the words, figures and letters "the 31st day of March, 2013" shall be substituted with effect from the 1st day of April, 2012.

WEALTH-TAX

115. Amendment of section 2.- In section 2 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act), in clause (ea), in sub-clause (i), in item (1), for the words "five lakh rupees", the words *"ten lakh rupees"* shall be substituted with effect from the 1st day of April, 2013. **(27 of 1957.)**

116. Amendment of section 17.-In section 17 of the Wealth-tax Act, with effect from the 1st day of July, 2012,-

(a) in sub-section (1), after the second proviso, the following proviso shall be inserted and shall be deemed to have been inserted, namely:-

"Provided also that nothing contained in the first proviso shall apply in a case where any net wealth in relation to any asset (including financial interest in any entity) located outside India chargeable to tax, has escaped assessment for any assessment year:";

(b) in sub-section (1A),-

(i) in clause (a), after the word, brackets and letter "clause (b)", the words, brackets and letter "or clause (c)" shall be inserted;

(ii) after clause (b), the following clause shall be inserted, namely:-

"(c) if four years, but not more than sixteen years, have elapsed from the end of the relevant assessment year unless the net wealth in relation to any asset (including financial interest in any entity) located outside India, chargeable to tax, has escaped assessment for any assessment year.";

(iii) in the Explanation, after clause (b), the following clause shall be inserted, namely:-

"(c) where a person is found to have any asset (including financial interest in any entity) located outside India.";

(iv) the Explanation shall be numbered as Explanation 1 thereof, and after Explanation 1 as so numbered, the following Explanation shall be inserted, namely:-

"Explanation 2.- For the removal of doubts, it is hereby clarified that the provisions of this section, as amended by the Finance Act, 2012, shall also be applicable for any assessment year beginning on or before the 1st day of April, 2012.".

117. Amendment of section 17A.- -In section 17A of the Wealth-tax Act, with effect from the 1st day of July, 2012-

(i) in sub-section (1), in the second proviso, for the words, letters and figures "commencing on the 1st day of April, 2004 or any subsequent year", the words, letters and figures "commencing on or after the 1st day of April, 2004 but before the 1st day of April, 2010" shall be substituted;

(ii) in sub-section (2), in the second proviso, for the words, letters and figures "after the 1st day of April, 2005", the words, letters and figures "after the 1st day of April, 2005 but before the 1st day of April, 2011" shall be substituted;

(iii) in sub-section (3), in the second proviso, for the words, letters and figures "after the 1st day of April, 2005", the words, letters and figures "after the 1st day of April, 2005 but before the 1st day of April, 2011" shall be substituted.

118. Amendment of section 45.- In section 45 of the Wealth-tax Act, after clause (j), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1957, namely:-

"(k) the Reserve Bank of India incorporated under the Reserve Bank of India Act, 1934.". **(2 of 1934.)**

119. Validation of demands etc., under Income-tax Act, 1961 in certain cases.- Notwithstanding anything contained in any judgment, decree or order of any Court or Tribunal or any authority, all notices sent or purporting to have been sent, or taxes levied, demanded, assessed, imposed, collected or recovered or purporting to have been levied, demanded, assessed, imposed, collected or recovered under the provisions of Income-tax Act, 1961 (43 of 1961), in respect of income accruing or arising through or from the transfer of a capital asset situate in India in consequence of the transfer of a share or shares of a company registered or incorporated outside India or in consequence of an agreement, or otherwise, outside India, shall be deemed to have been validly made, and the notice, levy, demand, assessment, imposition, collection or recovery of tax shall be valid and shall be deemed always to have been valid and shall not be called in question on the ground that the tax was not chargeable or any ground including that it is a tax on capital gains arising out of transactions which have taken place outside India, and accordingly, any tax levied, demanded, assessed, imposed or deposited before the commencement of this Act and chargeable for a period prior to such commencement but not collected or recovered before such commencement, may be collected or recovered and appropriated in accordance with the provisions of the Income-tax Act, 1961 as amended by this Act, and the rules made thereunder and there shall be no liability or obligation to make any refund whatsoever.

CHAPTER IV

INDIRECT TAXES

CUSTOMS

120. Amendment of section 2.- In the Customs Act, 1962 (52 of 1962) (hereinafter referred to as the Customs Act), in section 2, in clause (10), after the words "to be a customs airport", the words, brackets and letters "and includes a place appointed under clause (aa) of that section to be an air freight station" shall be inserted.

121. Amendment of section 7.- In section 7 of the Customs Act, in sub-section (1), in clause (aa), for the words "container depots", the words "container depots or air freight stations" shall be substituted.

122. Insertion of new section 28AAA.-After section 28AA of the Customs Act, the following section shall be inserted, namely:-

'28AAA. **Recovery of duties in certain cases.-** (1) Where an instrument issued to a person has been obtained by him by means of-

(a) collusion; or

(b) wilful misstatement; or

(c) suppression of facts,

for the purposes of this Act or the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992), by such person or his agent or employee and such instrument is utilised under the provisions of this Act or the rules made or notifications issued thereunder, by a person other than the person to whom the instrument was issued, the duty relatable to such utilisation of instrument shall be deemed never to have been exempted or debited and such duty shall be recovered from the person to whom the said instrument was issued:

Provided that the action relating to recovery of duty under this section against the person to whom the instrument was issued shall be without prejudice to an action against the importer under section 28.

Explanation 1.- For the purposes of this sub-section, "instrument" means any scrip or authorisation or licence or certificate or such other document, by whatever name called, issued under the Foreign Trade (Development and Regulation) Act, 1992, (22 of 1992) with respect to a reward or incentive scheme or duty exemption scheme or duty remission scheme or such other scheme bestowing financial or fiscal benefits, which may be utilised under the provisions of this Act or the rules made or notifications issued thereunder.

Explanation 2. - The provisions of this sub-section shall apply to any utilisation of instrument so obtained by the person referred to in this sub-section on or after the date on which the Finance Bill, 2012 receives the assent of the President, whether or not such instrument is issued to him prior to the date of the assent.

(2) Where the duty becomes recoverable in accordance with the provisions of sub-section (1), the person from whom such duty is to be recovered, shall, in addition to such duty, be liable to pay interest at the rate fixed by the Central Government under section 28 AA and the amount of such interest shall be calculated for the period beginning from the date of utilisation of the instrument till the date of recovery of such duty.

(3) For the purposes of recovery under sub-section (2), the proper officer shall serve notice on the person to whom the instrument was issued requiring him to show cause, within a period of thirty days from the date of receipt of the notice, as to why the amount specified in the notice (excluding the interest) should not be recovered from him, and after giving that person an opportunity of being heard, and after considering the representation, if any, made by such person, determine the amount of duty or interest or both to be recovered from such person, not being in excess of the amount specified in the notice, and pass order to recover the amount of duty or interest or both and the person to whom the instrument was issued shall repay the amount so specified in the notice within a period of thirty days from the date of receipt of the said order, along with the interest due on such amount, whether or not the amount of interest is specified separately.

(4) Where an order determining the duty has been passed under section 28, no order to recover that duty shall be passed under this section.

(5) Where the person referred to in sub-section (3) fails to repay the amount within the period of thirty days specified therein, it shall be recovered in the manner laid down in sub-section (1) of section 142.'.

123. Amendment of section 28BA.-In section 28BA of the Customs Act, in sub-section (1),-

(a) for the words, figures and letter "or section 28B", the words, figures and letters "or section 28AAA or section 28B" shall be substituted;

(b) for the words, brackets, figures and letter "or sub-section (2) of section 28B", the words, brackets, figures and letters 'or sub-section (3) of section 28AAA or sub-section (2) of section 28B" shall be substituted.

124. Amendment of section 47.-In section 47 of the Customs Act, in sub-section (2),-

(a) in the first proviso, for the words "Provided that", the following shall be substituted, namely:-

"Provided that the Central Government may, by notification in the Official Gazette, specify the class or classes of importers who shall pay such duty electronically:

Provided further that";

(b) in the second proviso, for the words "Provided further that", the words "Provided also that" shall be substituted.

125. Amendment of section 75A.-In section 75A of the Customs Act, in sub-section (2), for the word, figures and letters "section 28AB", the word, figures and letters "section 28AA" shall be substituted and shall be deemed to have been substituted with effect from the 8th day of April, 2011.

126. Amendment of section 104.-In section 104 of the Customs Act, for sub-sections (4), the following sub-sections shall be substituted, namely:-

"(4) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, 2 to 1974 any offence relating to -

(a) prohibited goods; or

(b) evasion or attempted evasion of duty exceeding fifty lakh repees, shall be cognizable.

(5) Save as otherwise provided in sub-section (4), all other offences under the Act shall be Non-cognizable.

(6) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), the offences under the Act shall be bailable.".

127. Amendment of section 122.-In section 122 of the Customs Act,-

(i) in clause (b), for the words "two lakh", the words "five lakh" shall be substituted;

(ii) in clause (c), for the words "ten thousand", the words "fifty thousand" shall be substituted.

128. Amendment of section 153.-In section 153 of the Customs Act, in clause (a), for the words "registered post to the person for whom it is intended or to his agent", the words "registered post or by such courier as may be approved by the Commissioner of Customs" shall be substituted.

129. Special provisions exempting additional duty of customs on import of foreign-going vessels into India.- Notwithstanding anything contained in sub-section (1) of section 25 of the Customs Act, the item and its description specified under column (1) of the Second Schedule, falling under Chapter 89 of the First Schedule to the Customs Tariff Act, 1975, **(51 of 1975.)** shall be and shall be deemed to have been exempted from the whole of the additional duty of customs leviable thereon under sub-section (1) of section 3 of the said Customs Tariff Act, on and from and up to the corresponding date specified in column (2) thereof.

CUSTOMS TARIFF

130. Amendment of section 8C.-In the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), in section 8C, in sub-section (5), for the proviso, the following proviso shall be substituted, namely:-

"Provided that if the Central Government is of the opinion that such article continues to be imported into India from the People's Republic of China so as to cause or threatening to cause market disruption to domestic industry, the Central Government may, notwithstanding the measures taken by the domestic industry towards adjustment to such market disruption or any threat arising thereof, if considers necessary that such duty should continue, extend the period of imposition of such safeguard duty for a period not beyond the period of ten years from the date on which the safeguard duty was first imposed.".

131. Amendment of First Schedule.-The First Schedule to the Customs Tariff Act shall be amended in the manner specified in the Third Schedule.

132. Amendment of Second Schedule.-The Second Schedule to the Customs Tariff Act shall be amended in the manner specified in the Fourth Schedule.

EXCISE

133. Amendment of section 4.-In the Central Excise Act, 1944 **(1 of 1944.)** (hereinafter referred to as the Central Excise Act), in section 4, in sub-section (3), in clause (b), in the Explanation, for clause (i), the following clause shall be substituted, namely:-

'(i) *"inter-connected undertakings"* means two or more undertakings which are inter-connected with each other in any of the following manners, namely:-

(A) if one owns or controls the other;

(B) where the undertakings are owned by firms, if such firms have one or more common partners;

(C) where the undertakings are owned by bodies corporate,-

(I) if one body corporate manages the other body corporate; or

(II) if one body corporate is a subsidiary of the other body corporate; or

(III) if the bodies corporate are under the same management; or

(IV) if one body corporate exercises control over the other body corporate in any other manner;

(D) where one undertaking is owned by a body corporate and the other is owned by a firm, if one or more partners of the firm,-

(I) hold, directly or indirectly, not less than fifty per cent, of the shares, whether preference or equity, of the body corporate; or

(II) exercise control, directly or indirectly, whether as director or otherwise, over the body corporate;

(E) if one is owned by a body corporate and the other is owned by a firm having bodies corporate as its partners, if such bodies corporate are under the same management;

(F) if the undertakings are owned or controlled by the same person or by the same group;

(G) if one is connected with the other either directly or through any number of undertakings which are inter-connected undertakings within the meaning of one or more of the foregoing sub-clauses.

Explanation 1.- For the purposes of this clause, two bodies corporate shall be deemed to be under the same management,-

(i) if one such body corporate exercises control over the other or both are under the control of the same group or any of the constituents of the same group; or

(ii) if the managing director or manager of one such body corporate is the managing director or manager of the other; or

(iii) if one such body corporate holds not less than one-fourth of the equity shares in the other or controls the composition of not less than one-fourth of the total membership of the Board of directors of the other; or

(iv) if one or more directors of one such body corporate constitute, or at any time within a period of six months immediately preceding the day when the question arises as to whether such bodies corporate are under the same management, constituted (whether independently or together with relatives of such directors or employees of the first mentioned body corporate) one-fourth of the directors of the other; or

(v) if the same individual or individuals belonging to a group, while holding (whether by themselves or together with their relatives) not less than one-fourth of the equity shares in one such body corporate also hold (whether by themselves or together with their relatives) not less than one-fourth of the equity shares in the other; or

(vi) if the same body corporate or bodies corporate belonging to a group, holding, whether independently or along with its or their subsidiary or subsidiaries, not less than one-fourth of the equity shares in one body corporate, also hold not less than one-fourth of the equity shares in the other; or

(vii) if not less than one-fourth of the total voting power in relation to each of the two bodies corporate is exercised or controlled by the same individual (whether independently or together with his relatives) or the same body corporate (whether independently or together with its subsidiaries); or

(viii) if not less than one-fourth of the total voting power in relation to each of the two bodies corporate is exercised or controlled by the same individuals belonging to a group or by the same bodies corporate belonging to a group, or jointly by such individual or individuals and one or more of such bodies corporate; or

(ix) if the directors of one such body corporate are accustomed to act in accordance with the directions or instructions of one or more of the directors of the other, or if the directors of both the bodies corporate are accustomed to act in accordance with the directions or instructions of an individual, whether belonging to a group or not.

Explanation II.- If a group exercises control over a body corporate, that body corporate and every other body corporate, which is a constituent of, or controlled by, the group shall be deemed to be under the same management.

Explanation III.- If two or more bodies corporate under the same management hold, in the aggregate, not less than one-fourth equity share capital in any other body corporate, such other body corporate shall be deemed to be under the same management as the first mentioned bodies corporate.

Explanation IV - In determining whether or not two or more bodies corporate are under the same management, the shares held by financial institutions in such bodies corporate shall not be taken into account.

ILLUSTRATION

Undertaking B is inter-connected with undertaking A and undertaking C is inter-connected with undertaking B. Undertaking C is inter-connected with undertaking A; if undertaking D is inter-connected with undertaking C, undertaking D will be inter-connected with undertaking B and consequently with undertaking A; and so on.

Explanation V.- For the purposes of this clause, "group" means a group of-

(i) two or more individuals, associations of individuals, firms, trusts, trustees or bodies corporate (excluding financial institutions), or any combination thereof, which exercises, or is established to be in a position to exercise, control, directly or indirectly, over any body corporate, firm or trust; or

(ii) associated persons.

Explanation VI.- For the purposes of this clause,-

(I) a group of persons who are able, directly or indirectly, to control the policy of a body corporate, firm or trust, without having a controlling interest in that body corporate, firm or trust, shall also be deemed to be in a position to exercise control over it;

(II) "associated persons"-

(a) in relation to a director of a body corporate, means-

(i) a relative of such director, and includes a firm in which such director or his relative is a partner;

(ii) any trust of which any such director or his relative is a trustee;

(iii) any company of which such director, whether independently or together with his relatives, constitutes one-fourth of its Board of directors;

(iv) any other body corporate, at any general meeting of which not less than one-fourth of the total number of directors of such other body corporate are appointed or controlled by the director of the first mentioned body corporate or his relative, whether acting singly or jointly;

(b) in relation to the partner of a firm, means a relative of such partner and includes any other partner of such firm; and

(c) in relation to the trustee of a trust, means any other trustee of such trust;

(III) where any person is an associated person in relation to another, the latter shall also be deemed to be an associated person in relation to the former;'.

134. Amendment of section 9.-In section 9 of the Central Excise Act, in sub-section (1), in clause (i), for the words "one lakh", the words "thirty lakh" shall be substituted.

135. Amendment of section 11A.-In section 11A of the Central Excise Act,-

(a) in sub-section (5), for the words *"has not been levied or paid or"*, the words *"has not been levied or paid or has been"* shall be substituted;

(b) for sub-section (8), the following sub-section shall be substituted, namely:-

"(8) Where the service of notice is stayed by an order of a court or tribunal, the period of such stay shall be excluded in computing the period of one year referred to in clause (a) of sub-section (1) or five years referred to in sub-section (4) or sub-section (5), as the case may be.".

136. Amendment of section 11AC.-In section 11AC of the Central Excise Act, in sub-section (1),-

(i) in clauses (a) and (b), for the words "has not been levied or paid or", the words "has not been levied or paid or has been" shall respectively be substituted;

(ii) in clause (c), for the words "duty so determined", the words "duty so determined only in a case where the penalty is paid within the period so specified" shall be substituted.

137. Amendment of section 12F.-in section 12F of the Central Excise Act, for sub-section (2), the following sub-section shall be substituted, namely:-

'(2) The provisions of the Code of Criminal Procedure, 1973 **(2 of 1974.)** *relating to search and seizure shall, so far as may be, apply to search and seizure under this section subject to the modification that sub-section (5) of section 165 of the said Code shall have effect as if for the word "Magistrate", wherever it occurs, the words "Commissioner of Central Excise" were substituted.'.*

138. Amendment of notification issued under section 5A of Central Excise Act.-(1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 62 (E), dated the 6th February, 2010 and G.S.R. 163(E), dated the 17th March, 2012 (hereinafter referred to as the said notification), issued under sub-section (1) of section 5A of the Central Excise Act, 1944, **(1 of 1944.)** shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Fifth Schedule, on and from the corresponding date specified in column (3) of that Schedule, against the said notification specified in column (1) of that Schedule.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the said notifications with retrospective effect as if the Central Government had the power to amend the said notification under sub-section (1) of section 5A of the Central Excise Act, 1944, **(1 of 1944.)** retrospectively, at all material times.

Explanation.- For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable had the said notification not been amended retrospectively.

139. Amendment of notification number G.S.R. 254(E) issued under section 5A of Central Excise Act.- (i) In the notification of the Government of India in the Ministry fo Finance (Department of Revenue) nuber G.S.R 254(E) dated: 16th March 1995, issued under sub-section (1) of section 5A of the Central Excise Act, 1944 **(1of 1944, 58 of 1957.)** read with sub-section (3) of Section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957, in the TABLE, after S.No. 19 and the entries relating thereto, the following S.no. and the entries shall be and shall be deemed to be inserted retrospectively with effect from the 20th day of April 2011, Namely:-

(1)	(2)	(3)
"20.	*All goods failing under heading 8607*	*If the goods are, —* (i) *manufactured by a factory belonging to the Central Government; and* (ii) *intended for use by any Department of the Central Government.".*

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in sub-section (1) with retrospective effect as if the Central Government had the power to amend the said notification under sub-section *(1)* of section 5 A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) retrospectively at all materirial times.

140. Amendment of third Sechdule.-The Third Schedule to the Central Excise Act shall be amended in the manner specified in the Sixth Schedule.

CENTRAL EXCISE TARIFF

141. **Amendment of first Sechdule.-**In the Central Excise Tariff Act, 1985 **(5 of 1986)**. (hereinafter referred to as the Centra! Excise Tariff Act), the First Schedule shall be amended in the manner specified in the Seventh Schedule.

142. Amendment of Chapter Notes to Chapter 54 of First Schedule.- (1) In the First Schedule to the Central Excise Tariff Act, in Chapter 54, after Note 1, the following Note shall be inserted and shall be deemed to have been inserted with effect from the 29th day of June, 2010, namely: —

"1A. Notwithstanding anything contained in Note 1, man-made fibre such as polyester staple fibre and polyester filament yarn manufactured from plastic and plastic waste including waste polyethylene terephthalate bottles shall be classified as textile material under Chapter 54 or Chapter 55, as the case may be.".

(2) Any action taken or anything done or purported to have been taken or done for recovery of duty of excise at any time during the period commencing on and from the 29th day of June, 2010 and ending with the date on which the Finance Bill, 201 *2* receives the assent of the President (hereafter in this section referred to as the "specified period"), shall be deemed to be, and always to have been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section *(1)* had been in force at all material times and, accordingly, notwithstanding any judgment, decree or order of any court, tribunal or other authority -

(a) all duties of excise levied, assessed or collected during the specified period on such goods shall be deemed to be and always to have been, as validly levied, assessed or collected as if the amendment made by sub-section *(1)* had been in force at ail material times;

(b) recovery shall be made of all the duties which have not been paid, but would have been paid had the amendments made by sub-section (1) been in force, within a period of thirty days from the date on which the Finance Bill, 2012 receives the assent of the President and in the event of non-payment of such duties of excise within the said period, interest at the rate of twenty-four per cent, per annum on the amount of such duties in addition to the amount of duties to be recovered, shall be payable from the date immediately after the expiry of the said period of thirty days till the date of its payment;

(c) while computing the amount of duty to be recovered under clause *(b),* the assessee shall be entitled to take into account the CENVAT credit of duty paid on inputs, input services and capital goods, if any, under the CENVAT Credit Rules, 2004 which has not been availed by him for reason of such goods being treated as non-excisable or exempted goods.

Explanation.- For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which *would not ha*ve been so punishable had this section not come into force

CHAPTER V

SERVICE TAX

143. **Amendment of Act 32 of 1994.-** In the Finance Act, 1994,-

(A) in section 65, after the Explanation occurring at the end of clause (121), the following proviso shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely:-

"Provided that the provisions of this section shall not apply with effect from such date as the Central Government may, by notification, appoint.";

(B) in section 65A, after sub-section (2), the following sub-section shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely:-

"(3) The provisions of this section shall not apply with effect from such date as the Central Government may, by notification, appoint.";

(C) after section 65A, the following section shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely:-

'65B. Interpretations.-In this Chapter, unless the context otherwise requires,-

(1) "actionable claim" shall have the meaning assigned to it in section 3 of the Transfer of Property Act, 1882; **(4 of 1882.)**

(2) "advertisement" means any form of presentation for promotion of, or bringing awareness about, any event, idea, immovable property, person, service, goods or actionable claim through newspaper, television, radio or any other means but does not include any presentation made in person;

(3) "agriculture" means the cultivation of plants and rearing of all life-forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products;

(4) "agricultural extension" means application of scientific research and knowledge to agricultural practices through farmer education or training;

(5) "agricultural produce" means any produce of agriculture on which either no further processing is done or such processing is done as is usually done by a cultivator or producer which does not alter its essential characteristics but makes it marketable for primary market;

(6) "Agriculture Produce Marketing Committee or Board" means any committee or board constituted under a State law for the time being in force for the purpose of regulating the marketing of agricultural produce;

(7) "aircraft" has the meaning assigned to it in clause (1) of section 2 of the Aircraft Act, 1934; **(22 of 1934.)**

(8) "airport" has the meaning assigned to it in clause (b) of section 2 of the Airports Authority of India Act, 1994; **(55 of 1994.)**

(9) "amusement facility" means a facility where fun or recreation is provided by means of rides, gaming devices or bowling alleys in amusement parks, amusement arcades, water parks, theme parks or such other places but does not include a place within such facility where other services are provided;

(10) "Appellate Tribunal" means the Customs, Excise and Service Tax Appellate Tribunal constituted under section 129 of the Customs Act, 1962; **(52 of 1962.)**

(11) *"approved vocational education course"* means,-

(i) a course run by an industrial training institute or an industrial training centre affiliated to the National Council for Vocational Training offering courses in designated trades notified under the Apprentices Act, 1961 (52 of 1961); or

(ii) a Modular Employable Skill Course, approved by the National Council of Vocational Training, run by a person registered with the Directorate General of Employment and Training, Union Ministry of Labour and Employment; or

(iii) a course run by an institute affiliated to the National Skill Development Corporation set up by the Government of India;

(12) "assessee" means a person liable to pay tax and includes his agent;

(13) "associated enterprise" shall have the meaning assigned to it in section 92A of the Income-tax Act, 1961; **(43 of 1961.)**

(14) "authorised dealer of foreign exchange" shall have the meaning assigned to "authorised person" in clause (c) of section 2 of the Foreign Exchange Management Act, 1999; **(42 of 1999.)**

(15) "betting or gambling" means putting on stake something of value, particularly money, with consciousness of risk and hope of gain on the outcome of a game or a contest, whose result may be determined by chance or accident, or on the likelihood of anything occurring or not occurring;

(16) "Board" means the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963; **(54 of 1963.)**

(17) "business entity" means any person ordinarily carrying out any activity relating to industry, commerce or any other business or profession;

(18) "Central Electricity Authority" means the authority constituted under section 3 of the Electricity (Supply) Act, 1948; **(54 of 1948.)**

(19) "Central Transmission Utility" shall have the meaning assigned to it in clause (10) of section 2 of the Electricity Act, 2003; **(36 of 2003.)**

(20) "courier agency" means any person engaged in the door-to-door transportation of time-sensitive documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles;

(21) "customs station" shall have the meaning assigned to it in clause (13) of section 2 of the Customs Act, 1962; **(52 of 1962.)**

(22) "declared service" means any activity carried out by a person for another person for consideration and declared as such under section 66E;

(23) "electricity transmission or distribution utility" means the Central Electricity Authority; a State Electricity Board; the Central Transmission Utility or a State Transmission Utility notified under the Electricity Act, 2003; or a distribution or transmission licensee under the said Act, or any other entity entrusted with such function by the Central Government or, as the case may be, the State Government; **(36 of 2003.)**

(24) "entertainment event" means an event or a performance which is intended to provide; recreation, pastime, fun or enjoyment, by way of exhibition of cinematographic film, circus, concerts, sporting event, pageants, award functions, dance, musical or theatrical performances including drama, ballets or any such event or programme;

(25) "goods" means every kind of movable property other than actionable claim and money; and includes securities, growing crops, grass, and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale;

(26) "goods transport agency" means any person who provides service in relation to transport of goods by road and issues consignment note, by whatever name called;

(27) "India" means,-

(a) the territory of the Union as referred to in clauses (2) and (3) of article 1 of the Constitution;

(b) its territorial waters, continental shelf, exclusive economic zone or any other maritime zone as defined in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976; **(80 of 1976.)**

(c) the seabed and the subsoil underlying the territorial waters;

(d) the air space above its territory and territorial waters; and

(e) the installations, structures and vessels located in the continental shelf of India and the exclusive economic zone of India, for the purposes of prospecting or extraction or production of mineral oil and natural gas and supply thereof;

(28) "information technology software" means any representation of instructions, data, sound or image, including source code and object code, recorded in a machine readable form, and capable of being manipulated or providing interactivity to a user, by means of a computer or an automatic data processing machine or any other device or equipment;

(29) "inland waterway" means national waterways as defined in clause (h) of section 2 of the Inland Waterways Authority of India Act, 1985 **(82 of 1985.),** or other waterway on any inland water, as defined in clause (b) of section 2 of the Inland Vessels Act, 1917; **(1 of 1917.)**

(30) "interest" means interest payable in any manner in respect of any moneys borrowed or debt incurred (including a deposit, claim or other similar right or obligation) but does not include any service fee or other charge in respect of the moneys borrowed or debt incurred or in respect of any credit facility which has not been utilised;

(31) "local authority" means-

(a) a Panchayat as referred to in clause (d) of article 243 of the Constitution;

(b) a Municipality as referred to in clause (e) of article 243P of the Constitution;

(c) a Municipal Committee and a District Board, legally entitled to, or entrusted by the Government with, the control or management of a municipal or local fund;

(d) a Cantonment Board as defined in section 3 of the Cantonments Act, 2006 (41 of 2006);

(e) a regional council or a district council constituted under the Sixth Schedule to the Constitution;

(f) a development board constituted under article 371 of the Constitution; or

(g) a regional council constituted under article 371A of the Constitution;

(32) "metered cab" means any contract carriage on which an automatic device, of the type and make approved under the relevant rules by the State Transport Authority, is fitted which indicates reading of the fare chargeable at any moment and that is charged accordingly under the conditions of its permit issued under the Motor Vehicles Act, 1988 **(59 of 1988.)** and the rules made thereunder;

(33) "money" means legal tender, cheque, promissory note, bill of exchange, letter of credit, draft, pay order, traveller cheque, money order, postal or electronic remittance or any such similar instrument but shall not include any currency that is held for its numismatic value;

(34) "negative list" means the services which are listed in section 66D;

(35) "non-taxable territory" means the territory which is outside the taxable territory;

(36) "notification" means notification published in the Official Gazette and the expressions "notify" and "notified" shall be construed accordingly;

(37) "person" includes,-

(i) an individual,

(ii) a Hindu undivided family,

(iii) a company,

(iv) a society,

(v) a limited liability partnership,

(vi) a firm,

(vii) an association of persons or body of individuals, whether incorporated or not,

(viii) Government,

(ix) a local authority, or

(x) every artificial juridical person, not falling within any of the preceding sub-clauses;

(38) "port" has the meaning assigned to it in clause (q) of section 2 of the Major Port Trusts Act, 1963 **(38 of 1963.),** or in clause (4) of section 3 of the Indian Ports Act, 1908; **(15 of 1908.)**

(39) "prescribed" means prescribed by rules made under this Chapter;

(40) "process amounting to manufacture or production of goods" means a process on which duties of excise are leviable under section 3 of the Central Excise Act, 1944 **(1 of 1944.)** or any process amounting to manufacture of alcoholic liquors for human consumption, opium, Indian hemp and other narcotic drugs and narcotics on which duties of excise are leviable under any State Act for the time being in force;

(41) "renting" means allowing, permitting or granting access, entry, occupation, use or any such facility, wholly or partly, in an immovable property, with or without the transfer of possession or control of the said immovable property and includes letting, leasing, licensing or other similar arrangements in respect of immovable property;

(42) "Reserve Bank of India" means the bank established under section 3 of the Reserve Bank of India Act, 1934; **(2 of 1934.)**

(43) "securities" has the meaning assigned to it in clause (h) of section 2 of the Securities Contract (Regulation) Act, 1956; **(42 of 1956.)**

(44) "service" means any activity carried out by a person for another for consideration, and includes a declared service, but shall not include-

(a) an activity which constitutes merely,-

(i) a transfer of title in goods or immovable property, by way of sale, gift or in any other manner; or

(ii) such transfer, delivery or supply of any goods which is deemed to be sale within the meaning of clause (29A) of article 366 of the Constitution; or

(iii) a transaction in money or actionable claim;

(b) a provision of service by an employee to the employer in the course of or in relation to his employment;

(c) fees taken in any Court or tribunal established under any law for the time being in force.

Explanation 1.- For the removal of doubts, it is hereby declared that nothing contained in this clause shall apply to,-

(A) the functions performed by the Members of Parliament, Members of State Legislative, Members of Panchayats, Members of Municipalities and Members of other local authorities who receive any consideration in performing the functions of that office as such member; or

(B) the duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity; or

(C) the duties performed by any person as a Chairperson or a Member or a Director in a body established by the Central Government or State Governments or local authority and who is not deemed as an employee before the commencement of this section.

Explanation 2.- For the purposes of this clause, transaction in money shall not include any any activity relating to the use of money or its conversion by cash or by any other mode, from one form, currency or denomination, to another form, currency or denomination for which a separate consideration is charged.

Explanation 3.- For the purposes of this Chapter,-

(a) an unincorporated association or a body of persons, as the case may be, and a member thereof shall be treated as distinct persons;

(b) an establishment of a person in the taxable territory and any of his other establishment in a non-taxable territory shall be treated as establishments of distinct persons.

Explanation 4.- A person carrying on a business through a branch or agency or representational office in any territory shall be treated as having an establishment in that territory;

(45) "Special Economic Zone" has the meaning assigned to it in clause (za) of section 2 of the Special Economic Zones Act, 2005; **(28 of 2005.)**

(46) "stage carriage" shall have the meaning assigned to it in clause (40) of section 2 of the Motor Vehicles Act, 1988; **(59 of 1988.)**

(47) "State Electricity Board" means the Board constituted under section 5 of the Electricity (Supply) Act, 1948; **(54 of 1948.)**

(48) "State Transmission Utility" shall have the meaning assigned to it in clause (67) of section 2 of the Electricity Act, 2003; **(36 of 2003.)**

(49) "support services" means infrastructural, operational, administrative, logistic, marketing or any other support of any kind comprising functions that entities carry out in ordinary course of operations themselves but may obtain as services by outsourcing from others for any reason whatsoever and shall include advertisement and promotion, construction or works contract, renting of immovable property, security, testing and analysis;

(50) "tax" means service tax leviable under the provisions of this Chapter;

(51) "taxable service" means any service on which service tax is leviable under section 66B;

(52) "taxable territory" means the territory to which the provisions of this Chapter apply;

(53) "vessel" has the meaning assigned to it in clause (z) of section 2 of the Major Port Trusts Act, 1963; **(38 of 1963.)**

(54) "works contract" means a contract wherein transfer of property in goods involved in the execution of such contract is leviable to tax as sale of goods and such contract is for the purpose of carrying out construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, alteration of any movable or immovable property or for carrying out any other similar activity or a part thereof in relation to such propety;

(55) words and expressions used but not defined in this Chapter and defined in the Central Excise Act, 1944 **(1 of 1944.)** or the rules made thereunder, shall apply, so far as may be, in relation to service tax as they apply in relation to a duty of excise.'.

(D) in section 66, the following proviso shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely:-

"Provided that the provisions of this section shall not apply with effect from such date as the Central Government may, by notification, appoint.";

(E) in section 66A, after Explanation 2 occurring at the end of sub-section (2), the following subsection shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely:-

"(3) The provisions of this section shall not apply with effect from such date as the Central Government may, by notification, appoint.";

(F) after section 66A, the following sections shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely:-

'66B. Charge of service tax on and after Finance Act, 2012.-There shall be levied a tax (hereinafter referred to as the service tax) at the rate of twelve per cent on the value of all services, other than those services specified in the negative list, provided or agreed to be provided in the taxable territory by one person to another and collected in such manner as may be prescribed.

66C. Determination of place of provision of service.-(1) The Central Government may, having regard to the nature and description of various services, by rules made in this regard, determine the place where such services are provided or deemed to have been provided or agreed to be provided or deemed to have been agreed to be provided.

(2) Any rule made under sub-section (1) shall not be invalid merely on the ground that either the service provider or the service receiver or both are located at a place being outside the taxable territory.

66D. Negative list of services.-The negative list shall comprise of the following services, namely:-

(a) services by Government or a local authority excluding the following services to the extent they are not covered elsewhere-

(i) services by the Department of Posts by way of speed post, express parcel post, life insurance and agency services provided to a person other than Government;

(ii) services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport;

(iii) transport of goods or passengers; or

(iv) support services, other than services covered under clauses (i) to (iii) above, provided to business entities;

(b) services by the Reserve Bank of India;

(c) services by a foreign diplomatic mission located in India;

(d) services relating to agriculture or agricultural produce by way of-

(i) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or seed testing;

(ii) supply of farm labour;

(iii) processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;

(iv) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;

(v) loading, unloading, packing, storage or warehousing of agricultural produce;

(vi) agricultural extension services;

(vii) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce;

(e) trading of goods;

(f) any process amounting to manufacture or production of goods;

(g) selling of space or time slots for advertisements other than advertisements broadcast by radio or television;

(h) service by way of access to a road or a bridge on payment of toll charges;

(i) betting, gambling or lottery;

(j) admission to entertainment events or access to amusement facilities;

(k) transmission or distribution of electricity by an electricity transmission or distribution utility;

(l) services by way of-

(i) pre-school education and education up to higher secondary school or equivalent;

(ii) education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;

(iii) education as a part of an approved vocational education course;

(m) services by way of renting of residential dwelling for use as residence;

(n) services by way of-

(i) extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount;

(ii) inter se sale or purchase of foreign currency amongst banks or authorised dealers of foreign exchange or amongst banks and such dealers;

(o) service of transportation of passengers, with or without accompanied belongings, by-

(i) a stage carriage;

(ii) railways in a class other than-

(A) first class; or

(B) an airconditioned coach;

(iii) metro, monorail or tramway;

(iv) inland waterways;

(v) public transport, other than predominantly for tourism purpose, in a vessel between places located in India; and

(vi) metered cabs, radio taxis or auto rickshaws;

(p) services by way of transportation of goods-

(i) by road except the services of-

(A) a goods transportation agency; or

(B) a courier agency;

(ii) by an aircraft or a vessel from a place outside India to the customs station of clearance in India; or

(iii) by inland waterways;

(q) funeral, burial, crematorium or mortuary services including transportation of the deceased.

66E. Declared services. -The following shall constitute declared services, namely:-

(a) renting of immovable property;

(b) construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, except where the entire consideration is received after issuance of completion certificate by the competent authority.

Explanation.- For the purposes of this clause,-

(I) the expression "competent authority" means the Government or any authority authorised to issue completion certificate under any law for the time being in force and in case of non-requirement of such certificate from such authority, from any of the following, namely:-

(A) architect registered with the Council of Architecture constituted under the Architects Act, 1972; or **(20 of 1972.)**

(B) chartered engineer registered with the Institution of Engineers (India); or

(C) licensed surveyor of the respective local body of the city or town or village or development or planning authority;

(II) the expression "construction" includes additions, alterations, replacements or remodelling of any existing civil structure;

(c) temporary transfer or permitting the use or enjoyment of any intellectual property right;

(d) development, design, programming, customisation, adaptation, upgradation, enhancement, implementation of information technology software;

(e) agreeing to the obligation to refrain from an act, or to tolerate an act or a situation, or to do an act;

(f) transfer of goods by way of hiring, leasing, licensing or in any such manner without transfer of right to use such goods;

(g) activities in relation to delivery of goods on hire purchase or any system of payment by instalments;

(h) service portion in the execution of a works contract;

(i) service portion in an activity wherein goods, being food or any other article of human consumption or any drink (whether or not intoxicating) is supplied in any manner as a part of the activity.

66F. Principles of interpretation of specified descriptions of services or bundled services.-(1) Unless otherwise specified, reference to a service (herein referred to as main service) shall not include reference to a service which is used for providing main service.

(2) Where a service is capable of differential treatment for any purpose based on its description, the most specific description shall be preferred over a more general description.

(3) Subject to the provisions of sub-section (2), the taxability of a bundled service shall be determined in the following manner, namely:-

(a) if various elements of such service are naturally bundled in the ordinary course of business, it shall be treated as provision of the single service which gives such bundle its essential character;

(b) if various elements of such service are not naturally bundled in the ordinary course of business, it shall be treated as provision of the single service which results in highest liability of service tax.

Explanation.- For the purposes of sub-section (3), the expression "bundled service" means a bundle of provision of various services wherein an element of provision of one service is combined with an element or elements of provision of any other service or services.';

(G) in section 67, in the Explanation, clause (b) shall be omitted, with effect from such date as the Central Government may, by notification, appoint;

(H) after section 67, the following section shall be inserted, namely:-

'67A. Date of determination of rate of tax, value of taxable service and rate of exchange.-The rate of service tax, value of a taxable service and rate of exchange, if any, shall be the rate of service tax or value of a taxable service or rate of exchange, as the case may be, in force or as applicable at the time when the taxable service has been provided or agreed to be provided.

Explanation.- For the purposes of this section, "rate of exchange" means the rate of exchange referred to in the Explanation to section 14 of the Customs Act, 1962.'; **(52 of 1962.)**

(I) in section 68, in sub-section (2), with effect from such date as the Central Government may, by notification, appoint,-

(i) for the words "any taxable service notified", the words "such taxable services as may be notified" shall be substituted;

(ii) the following proviso shall be inserted, namely:-

"Provided that the Central Government may notify the service and the extent of service tax which shall be payable by such person and the provisions of this Chapter shall apply to such person to the extent so specified and the remaining part of the service tax shall be paid by the service provider.";

(J) after section 72, the following section shall be inserted, namely:-

72A. Special audit.-(1) If the Commissioner of Central Excise, has reasons to believe that any person liable to pay service tax (herein referred to as "such person"),-

(i) has failed to declare or determine the value of a taxable service correctly; or

(ii) has availed and utilised credit of duty or tax paid-

(a) which is not within the normal limits having regard to the nature of taxable service provided, the extent of capital goods used or the type of inputs or input services used, or any other relevant factors as he may deem appropriate; or

(b) by means of fraud, collusion, or any wilful misstatement or suppression of facts; or

(iii) has operations spread out in multiple locations and it is not possible or practicable to obtain a true and complete picture of his accounts from the registered premises falling under the jurisdiction of the said Commissioner,

he may direct such person to get his accounts audited by a chartered accountant or cost accountant nominated by him, to the extent and for the period as may be specified by the Commissioner.

(2) The chartered accountant or cost accountant referred to in sub-section (1) shall, within the period specified by the said Commissioner, submit a report duly signed and certified by him to the said Commissioner mentioning therein such other particulars as may be specified by him,

(3) The provisions of sub-section (1) shall have effect notwithstanding that the accounts of such person have been audited under any other law for the time being in force.

(4) The person liable to pay tax shall be given an opportunity of being heard in respect of any material gathered on the basis of the audit under sub-section (1) and proposed to be utilised in any proceeding under the provisions of this Chapter or rules made thereunder.

Explanation.- For the purposes of this section,-

(i) "chartered accountant" shall have the meaning assigned to it in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949; **(38 of 1949.)**

(ii) "cost accountant" shall have the meaning assigned to it in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959.'; **(23 of 1959.)**

(K) in section 73,-

(i) for the words "one year", wherever they occur, the words "eighteen months" shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:-

"(1A) Notwithstanding anything contained in sub-section (1) (except the period of eighteen months of serving the notice for recovery of service tax), the Central Excise Officer may serve, subsequent to any notice or notices served under that sub-section, a statement, containing the details of service tax not levied or paid or short levied or short paid or erroneously refunded for the subsequent period, on the person chargeable to service tax, then, service of such statement shall be deemed to be service of notice on such person, subject to the condition that the grounds relied upon for the subsequent period are same as are mentioned in the earlier notices.";

(iii) in sub-section (4A), for the words, brackets and figures "sub-sections (3) and (4)", the word, brackets and figure "sub-section (4)" shall be substituted;

(L) section 80 shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely:-

"(2) Notwithstanding anything contained in the provisions of section 76 or section 77 or section 78, no penalty shall be imposable for failure to pay service tax payable, as on the 6th day of March, 2012, on the taxable service referred to in sub-clause (zzzz) of clause (105) of section 65, subject to the condition that the amount of service tax along with interest is paid in full within a period of six months from the date on which the Finance Bill, 2012 receives the assent of the President.";

(M) in section 83, for the figures and letters "12E, 14, 14AA, 15, 33A, 34A, 35F", the figures, letters, words and brackets "12E, 14, 15, 31, 32, 32A to 32P (both inclusive), 33A, 34A, 35EE, 35F" shall be substituted;

(N) in section 85,-

(i) in sub-section (3), after the words "under this Chapter", the words and figures", made before the date on which the Finance Bill, 2012 receives the assent of the President" shall be inserted;

(ii) after sub-section (3), the following sub-section shall be inserted, namely:-

"(3A) An appeal shall be presented within two months from the date of receipt of the decision or order of such adjudicating authority, made on and after the Finance Bill, 2012 receives the assent of the President, relating to service tax, interest or penalty under this Chapter:

Provided that the Commissioner of Central Excise (Appeals) may, if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the aforesaid period of two months, allow it to be presented within a further period of one month.";

(O) in section 86,-

(i) in sub-section (1), after the words "against such order", the words "within three months of the date of receipt of the order" shall be inserted;

(ii) for sub-section (3), the following sub-section shall be substituted, namely:-

"(3) Every appeal under sub-section (2) or sub-section (2A) shall be filed within four months from the date on which the order sought to be appealed against is received by the Committee of Chief Commissioners or, as the case may be, the Committee of Commissioners.";

(P) in section 88, for the word "duty", the word "tax" shall be substituted;

(Q) in section 89, in sub-section (1), for clause (a), the following clause shall be substituted with effect from the date on which the Finance Bill, 2012 receives the assent of the President, namely:-

"(a) knowingly evades the payment of service tax under this Chapter; or";

(R) in section 93A, for the words "of such goods", the words "or removal or export of such goods" shall be substituted;

(S) **Insertion of new section 93B.-**after section 93A, the following section shall be inserted, namely:-

"93B. **Rules made under section 94 to be applicable to services other than taxable services.-** *All rules made under section 94 and applicable to the taxable services shall also be applicable to any other service in so far as they are relevant to the determination of any tax liability, refund, credit of service tax or duties paid on inputs and input services or for carrying out the provisions of Chapter V of the Finance Act, 1994.";* **(32 of 1994.)**

(T) in section 94, in sub-section (2),-

(i) clause (ee) shall be omitted;

(ii) in clause (hhh), after the words *"provision of taxable service"*, the words, figures and letter "under section 66C" shall be inserted;

(iii) clause (i) shall be re-lettered as clause (k) thereof and before the clause (k) as so re-lettered, the following shall be inserted, namely:-

"(i) provide for the amount to be paid for compounding and the manner of compounding of offences;

(j) provide for the settlement of cases, in accordance with sections 31, 32 and 32A to 32P (both inclusive), in Chapter V of the Central Excise Act, 1944 as made applicable to service tax vide section 83;'; **(1 of 1944.)**

(U) in section 95, after sub-section (1H), the following sub-section shall be inserted, namely:-

"(1-I). If any difficulty arises in giving effect to section 143 of the Finance Act, 2012, in so far as it relates to insertion of sections 65B, 66B, 66C, 66D, 66E and section 66F in Chapter V of the Finance Act, 1994, **(32 of 1994.)** *the Central Government may, by order published in the Official Gazette, which is not inconsistent with the provisions of this Chapter, make such provisions, as may be necessary or expedient for the purpose of removing the difficulty from such date, which shall include the power to give retrospective effect from a date not earlier than the date of coming into force of the Finance Act, 2012:*

Provided that no such order shall be made after the expiry of a period of two years from the date of coming into force of these provisions.";

(V) in section 96C, in sub-section (2), for clause (e), the following clause shall be substituted, namely:-

"(e) admissibility of credit of duty or tax in terms of the rules made in this regard;";

(W) **Insertion of new sections 97 and 98.-** after section 96J, the following sections shall be inserted, namely:-

"97. **Special provision for exemption in certain cases relating to management, etc., of roads.-***(1) Notwithstanding anything contained in section 66, no service tax shall be levied or collected in respect of management, maintenance or repair of roads, during the period on and from the 16th day of June, 2005 to the 26th day of July, 2009 (both days inclusive).*

(2) Refund shall be made of all such service tax which has been collected but which would not have been so collected had sub-section (1) been in force at all material times.

(3) Notwithstanding anything contained in this Chapter, an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2012 receives the assent of the President.

98. **Special provision for exemption in certain cases relating to management, etc., of non-commercial Government buildings.-***(1) Notwithstanding anything contained in section 66, no service tax shall be levied or collected in respect of management, maintenance or repair of non-commercial Government buildings, during the period on and from the 16th day of June, 2005 till the date on which section 66B comes into force.*

(2) Refund shall be made of all such service tax which has been collected but which would not have been so collected had sub-section (1) been in force at all material times.

(3) Notwithstanding anything contained in this Chapter, an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2012 receives the assent of the President."

144. Amendment of rule 6 of CENVAT Credit Rules, 2004.-(1) In the CENVAT Credit Rules, 2004, made by the Central Government in exercise of the powers conferred by section 37 of the Central Excise Act, 1944, **(1 of 1944.)** sub-rule (6A) of rule 6 as inserted by clause (ix) of rule 5 of the CENVAT Credit (Amendment) Rules, 2011, published in the Official Gazette vide notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 134(E), dated the 1st March, 2011 shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (2) of the Eighth Schedule, on and from the date specified in column (3) of that Schedule, against the rule specified in column (1) of that Schedule.

(2) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done, on and from the 10th day of February, 2006, relating to the provisions as amended by sub-section (1), shall be deemed to be and deemed always to have been, for all purposes, as validly and effectively taken or done as if the amendments made by sub-section (1) had been in force at all material times.

(3) For the purpose of sub-section (1), the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, 1944, **(1 of 1944.)** retrospectively, at all material times.

145. Validation of exemption given to club or association including cooperative societies in relation to project.-(1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 566 (E), dated the 25th July, 2011, issued in exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994, **(32 of 1994.)** granting exemption from the whole of service tax leviable under section 66 thereof, on the club or association service referred to in sub-clause (zzze) of clause (105) of section 65 of the said Act, provided by a club or an association including registered cooperative societies, in relation to the project, shall be deemed to have, and deemed always to have, for all purposes, validly come into force on and from the 16th day of June, 2005, at all material times.

(2) Refund shall be made of all such service tax which has been collected but which would not have been so collected as if the notification referred to in sub-section (1) had been in force at all material times.

(3) Notwithstanding anything contained in the Finance Act, 1994, an application for the claim of refund of service tax shall be made within six months from the date on which the Finance Bill, 2012 receives the assent of the President. **(32 of 1994.)**

Explanation.- For the removal of doubts, it is hereby declared that,-

(i) project means common facility set-up for treatment and recycling of effluents and solid wastes, with financial assistance from the Central Government or a State Government;

(ii) the provisions of section 11B of the Central Excise Act, 1944, shall be applicable in case of refunds under this section. **(1 of 1944.)**

CHAPTER VI

AMENDMENTS TO THE FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2003.

146. **Amendment of section 2.**-In section 2 of the Fiscal Responsibility and Budget Management Act, 2003 **(39 of 2003.)** (hereinafter referred to as the Fiscal Responsibility Act),-

(i) after clause (a), the following clause shall be inserted, namely:-

'(aa) "effective revenue deficit" means the difference between the revenue deficit and grants for creation of capital assets;';

(ii) after clause (b), the following clause shall be inserted, namely:-

(bb) *"grants for creation of capital assets"* means the grants in aid given by the Central Government to the State Governments, constitutional authorities or bodies, autonomous bodies, local bodies and other scheme implementing agencies for creation of capital assets which are owned by the said entities;';.

147. Amendment of section 3. -In section 3 of the Fiscal Responsibility Act,-

(a) in sub-section (1),-

(i) in the opening portion, for the words "demands for grants", the words "demands for grants except the Medium-term Expenditure Framework Statement" shall be substituted;

(ii) after clause (c), the following clause shall be inserted, namely:-

"(d) the Medium-term Expenditure Framework Statement";

(b) after sub-section (1), the following sub-sections shall be inserted, namely:-

"(1A) The statements referred to in clauses (a) to (c) of sub-section (1) shall be followed up with the Medium-term Expenditure Framework Statement with detailed analysis of underlying assumptions.

(1B) The Central Government shall lay the Medium-term Expenditure Framework Statement referred to in clause (d) of sub-section (1) before both Houses of Parliament, immediately following the Session of Parliament in which the policy statements referred to in clauses (a) to (c) were laid under sub-section (1).";

(c) after sub-section (6), the following sub-section shall be inserted, namely:-

"(6A) (a) The Medium-term Expenditure Framework Statement shall set forth a three-year rolling target for prescribed expenditure indicators with specification of underlying assumptions and risk involved.

(b) In particular and without prejudice to the provisions contained in clause (a), the Medium-term Expenditure Framework Statement shall, inter alia, contain-

(i) the expenditure commitment of major policy changes involving new service, new instruments of service, new schemes and programmes;

(ii) the explicit contingent liabilities, which are in the form of stipulated annuity payments over a multi-year time-frame;

(iii) the detailed breakup of grants for creation of capital assets.";

(d) in sub-section (7), for the words "the Fiscal Policy Strategy Statement,", the words "the Fiscal Policy Strategy Statement, the Medium-term Expenditure Framework Statement" shall be substituted.

148. Amendment of section 4.-In section 4 of the Fiscal Responsibility Act,-

(a) for sub-section (1), the following sub-section shall be substituted, namely:-

"(1) The Central Government shall take appropriate measures to reduce the fiscal deficit, revenue deficit and effective revenue deficit to eliminate the effective revenue deficit by the 31st March, 2015 and thereafter

build up adequate effective revenue surplus and also to reach revenue deficit of not more than two per cent, of Gross Domestic Product by the 31st March, 2015 and thereafter as may be prescribed by rules made by the Central Government.";

(b) in sub-section (2),-

(i) in clause (a),-

(A) for the words *"fiscal deficit and revenue deficit"*, the words *"fiscal deficit, revenue deficit and effective revenue deficit"* shall be substituted;

(B) for the words, figures and letters "the 31st March, 2009", the words, figures and letters "the 31st March, 2015" shall be substituted;

(ii) in the first proviso, after the words "the revenue deficit,", the words", effective revenue deficit" shall be inserted.

149. Insertion of new section 7A.- After section 7 of the Fiscal Responsibility Act, the following section shall be inserted, namely;-

***"7A.* Laying of review reports.-** *he Central Government may entrust the Comptroller and Auditor-General of India to review periodically as required, the compliance of the provisions of this Act and such reviews shall be laid on the table of both Houses of Parliament.".*

150. **Amendment of sections 8.-**In section 8 of the Fiscal Responsibility Act, in sub-section (2),-

(i) after clause (b), the following clause shall be inserted, namely:-

"(ba) the expenditure indicators with specifications of underlying assumptions and risk involved under clause (a) of sub-section (6A) of section 3;";

(ii) in clause (c), for the words "Fiscal Policy Strategy Statement", the words "Fiscal Policy Strategy Statement, Medium-term Expenditure Framework Statement" shall be substituted;

(iii) after clause (c), the following clause shall be inserted, namely:-

"(ca) the per cent, of revenue deficit to be specified after the 31st March, 2015 under sub-section (1) of section 4;".

CHAPTER VII

MISCELLANEOUS

151. **Amendment of Schedule to Act 47 of 1974.-**In the Oil Industry (Development) Act, 1974, in the Schedule, against Sl. No.1 relating to crude oil, for the entry in column 3, the entry "Rupees four thousand five hundred per tonne" shall be substituted.

152. Amendment of Seventh Schedule to Act 14 of 2001.-The Seventh Schedule to the Finance Act, 2001 (as substituted by the Twelfth Schedule to the Finance Act, 2005) shall be amended in the manner specified in the Ninth Schedule. **(18 of 2005)**

153. Amendment of Act 23 of 2004.-In the Finance (No. 2) Act, 2004, with effect from the 1st day of July, 2012,-

(a) in section 97,-

(i) after clause (5), the following clauses shall be inserted, namely:-

'(5A) "initial public offer" has the meaning assigned to it in clause (p) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 made under the Securities and Exchange Board of India Act, 1992; ***(15 of 1992)***

*(5B) "lead merchant banker" means a merchant banker appointed as lead merchant banker in accordance with sub-regulation (1) of regulation 5 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 made under the Securities and Exchange Board of India Act, 1992;"; **(15 of 1992)***

(ii) in clause (13), after sub-clause (a), the following sub-clause shall be inserted, namely: -

"(aa) sale of unlisted equity shares by any holder of such shares under an offer for sale to the public included in an initial public offer and where such shares are subsequently listed on a recognised stock exchange; or"';

(b) in section 98, in the Table, -

(i) against Sl. No. 1 under column (3) relating to rate, for the figures and words "0.125 per cent", the figures and words "0.1 per cent," shall be substituted;

(ii) against Sl. No. 2, under column (3) relating to rate, for the figures and works "0.125 per cent", the figures and words "0.1 per cent" shall be substituted;

(iii) after Sl. No. 5, and the entries relating thereto, the following Sl. No. entries shall be inserted, namely: -

1	2	3	4
"6.	*Sale of unlisted equity shares under an offer for Sale referred to in sub-clause (aa) of clause (13) of section 97.*	*0.2 per cent.*	*Seller";*

(c) in section 100, -

(i) after sub-section (2), the following sub-section shall be inserted, namely: -

"(2A) The lead merchant banker appointed by the company in respect of an initial public offer shall collect the securities transaction tax from every person who enters into a taxable securities transaction referred to in sub-clause (aa) of clause (13) of section 97 at the rate specified in section 98.";

(ii) in sub-section (3), -

(A) after the words, brackets and figure "sub-section (2)", the words, brackets, figure and letter "or sub-section (2A)" shall be inserted;

(B) after the words "Mutual Fund", the words "or the lead merchant banker in the case of an initial public offer" shall be inserted;

(iii) in sub-section (4), after the words, "Mutual Fund", the words "or the lead merchant banker in the case of an initial public offer" shall be inserted;

(d) in section 101, after the words "in the case of every Mutual Fund", the words "or the lead merchant banker in the case of an initial public offer" shall be inserted.

154. Amendment of Seventh Schedule to Act 18 of 2005.-The Seventh Schedule to the Finance Act, 2005 shall be amended in the manner specified in the Tenth Schedule.

155. Amendment of Act 14 of 2010.- In section 73 of the Finance Act, 2010, in sub-section (2), for the word "inputs", the words "inputs or input services" shall be substituted and shall be deemed to have been substituted with effect from the 8th day of May, 2010.

156. Amendment of Act 8 of 2011.-In the Finance Act, 2011, with effect from the date of coming into force of that Act,-

(i) in section 73,-

(A) in the opening portion, for the brackets, words and letter "(hereinafter referred to as the Central Excise Tariff Act),-

(a) the First Schedule shall",

the words", the First Schedule shall" shall be substituted and shall be deemed to have been substituted;

(B) the brackets, letter and words "(b) the Third Schedule shall be amended in the manner specified in the Twelfth Schedule" shall be inserted and shall be deemed to have been inserted under the heading "Excise" as section 70A of the aforesaid Act.

(ii) in the Twelfth Schedule, for the brackets, words, figures and letter

"[See section 73(b)]

In the Third Schedule to the Central Excise Tariff Act",

the following shall be substituted and shall be deemed to have been substituted, namely:-

"[See section 70A]

In the Third Schedule to the Central Excise Act".

THE FIRST SCHEDULE

(See section 2)

PART I

Income-tax

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II), (III) and (IV) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,-

Rates of income-tax	
(1) where the total income does not exceed Rs. 1,80,000	Nil;
(2) where the total income exceeds Rs.1,80,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 1,80,000
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00,000	Rs. 32,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 8,00,000	Rs. 92,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 8,00,000.
(II) In the case of every individual, being a woman resident in India, and below the age of sixty years at any time during the previous year, -	
Rates of income-tax	
(1) where the total income does not exceed Rs. 1,90,000	Nil;
(2) where the total income exceeds Rs. 1,90,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 1,90,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00,000	Rs. 31,000 plus 20 pet cent, of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 8,00,000	Rs. 91,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 8,00,000.

(III) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, -	
Rates of income-tax	
(1) where the total income does not exceed Rs. 2,50,000	Nil;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00,000	Rs. 25,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 8,00,000	Rs. 85,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 8,00,000.
(IV) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, -	
Rates of income-tax	
(1) where the total income does not exceed Rs.5,00,000	Nil;
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00,000	20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs. 8,00,000	Rs. 60,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 8,00,000.

Paragraph B

In the case of every co-operative society,-

Rates of income-tax	
(1) where the total income does not exceed Rs.10,000	10 per cent of the total income;
(2) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000	Rs. 1,000 plus 20 per cent of the amount by which the total income exceeds Rs.10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 3,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 20,000.

Paragraph C

In the case of every firm,-

Rate of income-tax	
On the whole of the total income	30 per cent.

Paragraph D

In the case of every local authority,-

Rate of income-tax	
On the whole of the total income	30 per cent.

Paragraph E

In the case of a company,-

Rate of income-tax	
I. In the case of a domestic company	30 per cent of the total income;

II. In the case of a company other than a domestic company -

(i) on so much of the total income as consists of, -

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every company, be increased by a surcharge for purposes of the Union calculated, -

(i) in the case of every domestic company having a total income exceeding one crore rupees, at the rate of five per cent, of such income-tax;

(ii) in the case of every company other than a domestic company having a total income exceeding one crore rupees, at the rate of two per cent of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

PART II

RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the deduction at the following rates:-

Rate of income-tax	
1. In the case of a person other than a company -	
(a) where the person is resident in India -	
(i) on income by way of interest other than "Interest on securities"	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	30 per cent.;

(iv) on income by way of insurance commission	10 per cent.;
(v) on income by way of interest payable on -	10 per cent.;
(A) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act; (B) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder; (C) any security of the Central or State Government	
(vi) on any other income	10 per cent.;
(b) where the person is not resident in India -	
(i) in the case of a non-resident Indian -	
(A) on any investment income	20 per cent.;
(B) on income by way of long-term capital gains referred to in section 115E or sub-clause (iii) of clause (c) of sub-section (I) of section 112	10 per cent.;
(C) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(D) on other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent.;
(E) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(F) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India -	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(G) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(i)(F)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy -	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;

(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(H) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy -	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(I) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(J) on income by way of winnings from horse races	30 per cent.;
(K) on the whole of the other income	30 per cent.;
(ii) in the case of any other person -	
(A) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(B) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India-	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(C) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(ii)(B)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy -	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;

(D) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy -	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(E) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(F) on income by way of winnings From horse races	30 per cent.;
(G) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(H) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (1) of section 112	10 per cent.;
(I) on other income by way of long-term capital gains[not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	30 per cent.;
2. In the case of a company -	
(a) where the company is a domestic company -	
(i) on income by way of interest other than "Interest on securities"	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on any other income	10 per cent.;
(b) where the company is not a domestic company -	
(i) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(ii) on income by way of winnings from horse races	30 per cent.;
(iii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;

(iv) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976 where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1 A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1 A) of section 115A of the Income-tax Act, to a person resident in India -	
(A) where the agreement is made before the 1st day of June, 1997	30 per cent.;
(B) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(C) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(v) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(iv)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy -	
(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976 but before the 1st day of June, 1997	30 per cent.;
(C) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(D) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(vi) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy -	
(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976 but before the 1st day of June, 1997	30 per cent.;
(C) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent .;

(D) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(vii) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(viii) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (1) of section 112	10 per cent.;
(ix) on any other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent.;
(x) on any other income	40 per cent.;

Explanation. - For the purpose of item 1 (b)(i) of this Part, "investment income" and "non-resident Indian" shall have the meanings respectively assigned to them in Chapter XII-A of the Income-tax Act.

Surcharge on income-tax

The amount of income-tax deducted in accordance with the provisions of item 2(b) of this Part, shall be increased by a surcharge, for purposes of the Union, in the case of every company other than a domestic company, calculated at the rate of two per cent, of such income-tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees.

PART III

Rates for charging income-tax in certain cases, deducting income-tax from income chargeable under the head "Salaries" and computing "advance tax"

In cases in which income-tax has to be charged under sub-section (4) of section 172 of the Income-tax Act or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or deducted from, or paid on, from income chargeable under the head "Salaries" under section 192 of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or income chargeable to tax under section 115JB or section 115JC or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act at the rates as specified in that Chapter or section or surcharge, wherever applicable, on such "advance tax" in respect of any income chargeable to tax under section 115A or section 115AB or section 115AC or section 115ACA or section 115AD or section 115B or section 115BB or section 115BBA or section 115BBC or section 115BBD or section 115BBE or section 115E or section 115JB or section 115JC] shall be charged, deducted or computed at the following rate or rates:-

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,-

Rates of income-tax	
(1) where the total income does not exceed Rs. 2,00,000	Nil;
(2) where the total income exceeds Rs. 2,00,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 2,00,000;

(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 30,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,30,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.
(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less then eighty years at any time during the previous year, -	
Rates of income-tax	
(1) where the total income does not exceed Rs. 2,50,000	Nil;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 25,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,25,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 10,00,000.
(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, -	
Rates of Income-tax	
(1) where the total income does not exceed Rs. 5,00,000	Nil;
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs. 10,00,000	Rs. 1,00,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 10,00,000.

Paragraph B

In the case of every co-operative society,-

Rates of income-tax	
(1) where the total income does not exceed Rs. 10,000	10 per cent, of the total income;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000	Rs. 1,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 3,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 20,000.

Paragraph C

In the case of every firm,-

Rate of income-tax	
On the whole of the total income	30 per cent.

Paragraph D

In the case of every local authority,-

Rate of income-tax	
On the whole of the total income	30 per cent.

Paragraph E

In the case of a company,-

Rates of income-tax	
I. In the case of a domestic company	30 per cent, of the total income;
II. In the case of a company other than a domestic company -	
(i) on so much of the total income as consists of, - (a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or (b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,	
and where such agreement has, in either case, been approved by the Central Government	(50 per cent)
(ii) on the balance, if any, of the total income	(40 per cent.)

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every company, be increased by a surcharge for purposes of the Union calculated,-

(i) in the case of every domestic company having a total income exceeding one crore rupees, at the rate of five per cent, of such income-tax;

(ii) in the case of every company other than a domestic company having a total income exceeding one crore rupees, at the rate of two per cent of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

PART IV

[See section 2(13)(c)]

Rules for Computation of net Agricultural Income

Rule 1. - Agricultural income of the nature referred to in sub-clause (a) of clause (1A) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head *"income from other sources"* and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly;

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

Rule 2. - Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1A) of section 2 of the income-tax Act [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue of the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head "Profits and gains of business or profession" and the provisions of sections 30, 31, 32, 36, 37, 38, 40, 40A [other than sub-sections (3) and (4) thereof], 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3. - Agricultural income of the nature referred to in sub-clause (c) of clause (1A) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head *"Income from house property"* and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4. - Notwithstanding anything contained in any other provisions of these rules, in a case-

(a) where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent, of such income shall be regarded as the agricultural income of the assessee;

(b) where the assessee derives income from sale of centrifuged latex or cenex.or latex based crepes (such as pale latex crepe) or brown crepes (such as estate brown crepe, re-milled crepe, smoked blanket crepe or flat bark crepe) or technically specified block rubbers manufactured or processed by him from rubber plants grown by him in India, such income shall be computed in accordance with rule 7A of the Income-tax Rules, 1962, and sixty-five percent, of such income shall be regarded as the agricultural income of the assessee;

(c) where the assessee derives income from sale of coffee grown and manufactured by him in India, such income shall be computed in accordance with rule 7B of the Income-tax Rules, 1962, and sixty per cent, or seventy-five per cent., as the case may be, of such income shall be regarded as the agricultural income of the assessee.

Rule 5.- Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6. - Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 7. - Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8. - (1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2012, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or

more of the previous years relevant to the assessment years commencing on the 1st day of April, 2004 or the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,-

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2004, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011.

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2005, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011.

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2006, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2007, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2008, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2009, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2010 or the 1st day of April, 2011,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2010, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2011,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2011,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2012.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2013, or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011 or the 1st day of April, 2012, is a loss, then, for the purposes of sub-section (10) of section 2 of this Act,-

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2005, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011 or the 1st day of April, 2012,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2006, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011 or the 1st day of April, 2012,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2007, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April. 2011 or the 1st day of April, 2012,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2008, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2009 or the 1st day of April, 2010 or the 1st day of April, 2011 or the 1st day of April, 2012,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2009, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2010 or the 1st day of April, 2011 or the 1st day of April, 2012,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2010, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2011 or the 1st day of April, 2012.

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2011, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2012,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2012,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2013.

(3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(4) Notwithstanding anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules or the rules contained in the First Schedule to the Finance (No. 2) Act, 2004 (23 of 2004) or of the First Schedule to the Finance Act, 2005 (18 of 2005), or of the First Schedule to the Finance Act, 2006 (21 of 2006) or of the First Schedule to the Finance Act, 2007 (22 of 2007) or of the First Schedule to the Finance Act, 2008 (18 of 2008) or of the First Schedule to the Finance (No. 2) Act, 2009 (33 of 2009) or of the First Schedule to the Finance Act, 2010 (14 of 2010) or of the First Schedule to the Finance Act, 2011 (8 of 2011) shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 9. - Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be nil.

Rule 10. - The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11. - For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE

(See section 129)

Description of item and its exemption	Period of effect
(1)	**(2)**
Foreign-going vessels	1st March, 2011 to 16th March, 2012
Explanation - For the purpose of this exemption, "foreign-going vessels" shall have the meaning assigned to it under clause (21) of section 2 of the Customs Act.	

THE THIRD SCHEDULE

(See Section 131)

In the First Schedule to the Customs Tariff Act,-

(1) In Chapter 24, in the entry in column (2) occurring against the tariff items 2402 20 10, 2402 20 20, 2402 20 30 and 2402 20 40, for the figures and word "60 millimetres", the figures and word "65 millimetres" shall be substituted;

(2) in Chapter 26, in heading 2601, in sub-heading 2601 11, for tariff items 2601 11 10 to 2601 11 90 and the entries relating thereto, the following tariff items and entries shall be substituted, namely:-

Tariff Item	Description of goods	Unit	Rate of Duty	
			Standard	Preferential Area
(1)	(2)	(3)	(4)	(5)
	"--- Iron ore lumps (60% Fe or more)			
2601 11 11	---- 60% Fe or more but below 62% Fe	kg.	10%	-
2601 11 12	---- 62% Fe or more but below 65% Fe	kg.	10%	-
2601 11 19	---- 65% Fe and above	kg.	10%	-
	--- Iron ore lumps (below 60% Fe, including black iron ore containing up to 10% Mn)			
2601 11 21	---- below 55% Fe	kg.	10%	-
2601 11 22	---- 55% Fe or more but below 58% Fe	kg.	10%	-

2601 11 29	---- 58% Fe or more but below 60% Fe	kg.	10%	-
	---Iron ore fines (62% Fe or more)			
2601 11 31	---- 62% Fe or more but below 65% Fe	kg.	10%	-
2601 11 39	---- 65% Fe and above	kg.	10%	-
	---Iron ore Fines (below 62% Fe)			
2601 11 41	---- below 55% Fe	kg.	10%	-
2601 11 42	---- 55% Fe or more but below 58% Fe	kg.	10%	-
2601 11 43	---- 58% Fe or more but below 60% Fe	kg.	10%	-
2601 11 49	---- 60% Fe or more but below 62% Fe	kg.	10%	-
2601 11 50	---Iron ore concentrates	kg.	10%	-
2601 11 90	---Others	kg.	10%	-"

(3) in Chapter 48, after Note 12, the following Note shall be inserted, namely:-

"13. Notwithstanding anything contained in Note 12, if paper and paper products of heading 4811, 4816 or 4820 are printed with any character, name, logo, motif or format, they shall remain classified under the respective headings as long as such products are intended to be used for further printing or writing.";

(4) in Chapter 74, in heading 7404,-

(a) in tariff item 7404 00 12, in the entry in column (2), for the words "ISRI code word 'Palms'", the following words shall be substituted, namely:-

"ISRI code word 'Palms';

Miscellaneous copper-containing skimmings, grindings, ashes, irony brass and copper, residues and slags covered by ISRI code word 'Drove';

Copper wire scrap with various types of insulation covered by ISRI code word 'Druid";

(b) in tariff item 7404 00 22, in the entry in column (2), for the words "ISRI code word 'Parch'", the following words shall be substituted, namely,-

"ISRI code word 'Parch';

High Grade-Low Lead Bronze/Brass Solids covered by ISRI code word 'Eland';

High lead bronze solids and borings covered by ISRI code word 'Elias';

Clean fired 70/30 brass shell cases free of primers and any other foreign material covered by !SR1 code word 'Lace';

Clean fired 70/30 brass shell cases containing the brass primers and containing no other foreign material covered by ISRI code word 'Lady';

Clean fired 70/30 brass shells free of bullets, iron and any other foreign material covered by ISRI code word 'Lake';

Clean muffled (popped) 70/30 brass shells free of bullets, iron and any other foreign material covered by ISRI code word 'Lamb";

(5) in Chapter 75, in tariff item 7503 00 10, in the entry in column (2), for the words "other floating structures", the following words shall be substituted, namely:-

"other floating structures;

Nickel-iron batteries to be sold free of crates, copper terminal connectors and excess liquid, must be free of nickel cadmium batteries covered by ISRI code word 'Vaunt'";

(6) in Chapter 76, in heading 7602, in tariff item 7602 00 10, in column (2),-

(a) for the words "ISRI code word 'Talap', the words "ISRI code word Talc'" shall be substituted;

(b) for the words "ISRI code word 'Tanri', the words "ISRI code word Tann'" shall be substituted;

(c) for the words "old aluminium foil covered by ISRI code word 'Testy'", the following words shall be substituted, namely:-

"New aluminium foil covered by ISRI code word Tetra';

Old aluminium foil covered by ISRI code word 'Tesla';";

(d) for the words "ISRI code word Twitch'", the following words and brackets shall be substituted, namely:

"ISRI code word Twitch';

Aluminium auto or truck wheels covered by ISRI code word 'Troma';

Fragmentizer aluminium scrap from automobile shredders covered by ISRI code word Tweak';

Burnt Fragmentizer aluminium scrap (from automobile shredders) covered by ISRI code word Twire';

Shredded non-ferrous scrap (predominantly aluminium) covered by ISRI code word 'Zorba';

Aluminium drosses, spatterns, spellings, skimmings and sweepings covered by ISRI code word Thirl';

New production aluminium extrusions covered by ISRI code word Tata';

All aluminium radiators from automobiles covered by ISRI code word Tally';

Aluminium extrusions '10/10' covered by ISRI code word Toto';

Aluminium extrusions dealer grade covered by the word Tutu'";

(7) in Chapter 78, in tariff item 7802 00 10, in the entry in column (2), for the words "ISRI code word 'Roses', the following words and brackets shall be substituted, namely:-

"ISRI code word 'Roses';

Lead battery plates whether automotive, industrial or mixed covered by ISRI cods word 'Rails';

Battery lugs free of scrap lead, wheel weights, battery plates, rubber or plastic case material and other foreign material covered by ISRI code word 'Rakes';

Lead covered copper cable free of armoured covered cable and foreign material covered by ISRI code word 'Relay';

Lead dross covered by ISRI code word 'Rents';

(8) in Chapter 79, in tariff item 7902 00 10, in the entry in column (2), for the word "oxidation", the following words shall be substituted, namely:-

"'oxidation';

Unsorted zinc die cast scrap produced from automobile fragmentizers containing about 55% zinc-bearing scrap covered by ISRI code word 'Scroll'";

(9) in Chapter 87,-

(a) in tariff item 8712 00 10, for the entry in column (4), the entry "30%" shall be substituted;

(b) in tariff items 8714 91 00 to 8714 99 90, for the entry in column (4), the entry "20%" shall be substituted.

THE FOURTH SCHEDULE

(See section 132)

In the Second Schedule to the Customs Tariff act, against Sl. No. 24 relating to Chromium ore and concentrates, all sorts, for the entry in column (4), the entry "30%" shall be substituted.

THE FIFTH SCHEDULE

(See section 138)

Notification number and date	Amendment	Date of effect of amendment
(1)	**(2)**	**(3)**
1. G.S.R. 62 (E), dated the 6th February, 2010 [1/2010-Central Excise, dated the 6th February, 2010],	In the said notification, in paragraph 9, for the words "from the date of publication of this notification or from the date of commercial production whichever is later", the following words shall be substituted, namely:- "from the date of commercial production, or from the date of commercial production from the expanded capacity referred to in sub-clause (i) of clause (b) of paragraph 8, as the case may be".	6th day of February, 2010.
2. G.S.R. 163 (E), dated the 17th March, 2012 [12/2012-Central Excise, dated 17th March, 2012].	In the said notification, in the Table, in Sl. No. 199, against item(I),- (a) for the entry in column (4), the entry "Nil" shall be substituted; (b) the entry in column (5) shall be omitted.	17th day of March, 2012

THE SIXTH SCHEDULE

(See section 140)

In the Third Schedule to the Central Excise Act, after S.No. 26 and the entries relating thereto, the following S. No. and entries shall be inserted, namely:-

S.No.	Heading, sub-heading or tariff item	Description of goods
(1)	**(2)**	**(3)**
"26A	2402 20 10 to 2402 20 90	All goods".

THE SEVENTH SCHEDULE

(See section 141)

In the First Schedule to the Central Excise Tariff Act,-

(1) in Chapter 4, in tariff items 0402 91 10 and 0402 99 20, for the entry in column (4), the entry "12%" shall be substituted;

(2) in Chapter 11,-

(a) for the entry in column (4) occurring against all the tariff items of heading 1107, the entry "12%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of heading 1108 (except tariff item 1108 20 00), the entry"12%" shall be substituted;

(3) in Chapter 13, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(4) in Chapter 14, in tariff item 1404 90 50, for the entry in column (4), the entry "6%" shall be substituted;

(5) in Chapter 15,-

(a) in all the tariff items of headings 1501 and 1502, for the entry in column (4), the entry "6%" shall be substituted;

(b) in tariff item 1503 00 00, for the entry in column (4), the entry "6%" shall be substituted;

(c) in the tariff items of headings 1504 to 1516 and 1517 (except 1517 10 22), for the entry in column (4), the entry "6%" shall be substituted;

(d) in tariff item 1517 10 22, for the entry in column (4), the entry "12%" shall be substituted;

(e) in all the tariff items of heading 1518, for the entry in column (4), the entry "6%" shall be substituted;

(f) in tariff item 1520 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(g) in all the tariff items of headings 1521 and 1522, for the entry in column (4), the entry "12%" shall be substituted;

(6) in Chapter 16, for the entry in column (4) occurring against all the tariff items, the entry "6%" shall be substituted;

(7) in Chapter 17,-

(a) for the entry in column (4) occurring against all the tariff items of headings 1701 (except tariff items 1701 13 20 and 1701 14 20), 1702 (except tariff item 1702 90 10) and 1704, the entry "12%" shall be substituted;

(b) in tariff items 1701 13 20 and 1701 14 20, for the entry in column (4), the entry "6%" shall be substituted;

(8) in Chapter 18, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(9) in Chapter 19 -

(a) in tariff items 1901 10 10 and 1901 10 90, for the entry in column (4), the entry "6%" shall be substituted;

(b) in tariff items 1901 20 00, 1901 90 10 and 1901 90 90, for the entry in column (4), the entry "12%" shall be substituted;

(c) in tariff items 1902 11 00, 1902 19 00, 1902 20 10, 1902 20 90, 1902 30 10 and 1902 30 90, for the entry in column (4), the entry "6%" shall be substituted:

(d) in tariff items 1902 40 10 and 1902 40 90, for the entry in column (4), the entry"12%" shall be substituted;

(e) in tariff item 1903 00 00, for the entry in column (4), the entry "6%" shall be substituted;

(f) for the entry in column (4) occurring against all the tariff items of heading 1904, the entry "12%" shall be substituted;

(g) in tariff item 1905 31 00, for the entry in column (4), the entry "6%" shall be substituted;

(h) in tariff items 1905 32 11, 1905 32 19 and 1905 32 90, for the entry in column (4), the entry "12%" shall be substituted;

(i) in tariff items 1905 90 10 and 1905 90 20, for the entry in column (4), the entry "6%" shall be substituted;

(10) in Chapter 20, for the entry in column (4) occurring against all the tariff items, the entry "6%" shall be substituted;

(11) in Chapter 21,-

(a) for the entry in column (4) occurring against all the tariff items of heading 2101 (except tariff items 2101 30 10, 2101 30 20 and 2101 30 90), the entry "12%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of headings 2102, 2103 and 2104, the entry "12%" shall be substituted;

(c) in tariff item 2105 00 00, for the entry in column (4), the entry "6%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of heading 2106 (except 2106 90 20 and 2106 90 92), the entry "12%" shall be substituted;

(e) in tariff item 2106 90 92, for the entry in column (4), the entry "6%" shall be substituted;

(12) in Chapter 22,-

(a) for the entry in column (4) occurring against all the tariff items of heading 2201 (except 2201 90 10), the entry "12%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of heading 2202 (except 2202 90 10 and 2202 90 20), the entry "12%" shall be substituted;

(c) in tariff items 2202 90 10 and 2202 90 20, for the entry in column (4), the entry "6%" shall be substituted;

(d) in tariff item 2207 20 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of heading 2209, the entry "12%" shall be substituted;

(13) in Chapter 24 -

(a) in tariff items 2402 10 10 and 2402 10 20, for the entry in column (4), the entry "12% or Rs.1370 per thousand, whichever is higher" shall be substituted;

(b) in the entry in column (2) occurring against the tariff item 2402 20 10, for the figures and word "60 millimetres", the figures and word "65 millimetres" shall be substituted;

(c) in tariff item 2402 20 20 -

(i) in the entry in column (2), for the figures and word "60 millimetres", the figures and word "65 millimetres" shall be substituted;

(ii) for the entry in column (4), the entry "Rs1463 per thousand" shall be substituted;

(d) in the entries in column (2) occurring against the tariff item 2402 20 30, for the figures and word "60 millimetres", the figures and word "65 millimetres" shall be substituted;

(e) in tariff item 2402 20 40 -

(i) in the entry in column (2), for the figures and word "60 millimetres", the figures and word "65 millimetres" shall be substituted;

(ii) for the entry in column (4), the entry "Rs. 1034 per thousand" shall be substituted;

(f) in tariff item 2402 20 50, for the entry in column (4), the entry "Rs.1463 per thousand" shall be substituted;

(g) in tariff item 2402 20 60, for the entry in column (4), the entry "Rs. 1974 per thousand" shall be substituted;

(h) in tariff item 2402 20 90, for the entry in column (4), the entry "Rs. 2373 per thousand" shall be substituted;

(14) in Chapter 25, -

(a) in Note 6, the words "or polishing" shall be omitted;

(b) in tariff item 2503 00 10, for the entry in column (4), the entry "12%" shall be substituted;

(c) in tariff items 2515 12 20 and 2515 12 90, for the entry in column (4), the entry "12%" shall be substituted;

(d) in tariff item 2523 10 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) in tariff item 2523 21 00, for the entry in column (4), the entry "12%" shall be substituted;

(f) in tariff items 2523 30 00, 2523 90 10, 2523 90 20 and 2523 90 90, for the entry in column (4), the entry "12%" shall be substituted;

(15) in Chapter 26,-

(a) in heading 2601, for the tariff items 2601 11 10 to 2601 11 90 and the entries relating thereto, the following tariff items and entries shall be substituted, namely:-

(1)	(2)	(3)	(4)
	"--- Iron ore lumps (60% Fe or more)		
2601 11 11	60% Fe or more but below 62% Fe	Kg.	12%
2601 11 12	62% Fe or more but below 65% Fe	Kg.	12%
2601 11 19	above 65% Fe	Kg.	12%
	Iron ore lumps (below 60% Fe, including black iron ore containing up to 10% Mn)		
2601 11 21	below 55% Fe	Kg.	12%
2601 11 22	55% Fe or more but below 58% Fe	Kg.	12%
2601 11 29	58% Fe or more but below 60% Fe	Kg.	12%
	Iron ore fines (62% Fe or more)		
2601 11 31	62% Fe or more but below 65% Fe	Kg.	12%
2601 11 39	above 65% Fe	Kg.	12%
	Iron ore Fines (below 62% Fe)		
2601 11 41	below 55% Fe	Kg.	12%
2601 11 42	55% Fe or more but below 58% Fe	Kg.	12%
2601 11 43	58% Fe or more but below 60% Fe	Kg.	12%
2601 11 49	60% Fe or more but below 62% Fe	Kg.	12%
2601 11 50	Iron ore concentrates	Kg.	12%
2601 11 90	Others	Kg.	12%";

(b) in tariff items 2601 12 10, 2601 12 90 and 2601 20 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items in heading 2602, the entry "12%" shall be substituted;

(d) in tariff items 2603 00 00, 2604 00 00 and 2605 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items in heading 2606, the entry "12%" shall be substituted;

(f) in tariff items 2607 00 00, 2608 00 00 and 2609 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(g) for the entry in column (4) occurring against all the tariff items in heading 2610, the entry "12%" shall be substituted;

(h) in tariff item 2611 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(i) for the entry in column (4) occurring against all the tariff items in heading 2612, 2613, 2614, 2615, 2616, and 2617, the entry "12%" shall be substituted;

(j) in tariff item 2618 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(k) for the entry in column (4) occurring against all the tariff items in heading 2619, 2620 and 2621, the entry "12%" shall be substituted;

(16) in Chapter 27 -

(a) for the entry in column (4) occurring against all the tariff items of headings 2701, 2702, 2703, 2704 and 2706, the entry "6%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of headings 2707 and 2708, the entry "14%" shall be substituted;

(c) in tariff items 2710 12 11 to 2710 12 90, in column (4), for the entry "16% +Rs. 15 per litre", the entry "14% + Rs.15 per litre" shall be substituted;

(d) in tariff items 2710 19 10 and 2710 19 20, for the entry in column (4), the entry "14%" shall be substituted;

(e) in tariff items 2710 19 30 and 2710 19 40, in column (4), for the entry "16% + Rs. 5 per litre", the entry "14% + Rs. 5 per litre" shall be substituted;

(f) in tariff items 2710 19 50, 2710 19 60, 2710 19 70, 2710 19 80 and 2710 19 90, for the entry in column (4), the entry "14%" shall be substituted;

(g) in tariff item 2710 20 00, for the entry in column (4), the entry "14% + Rs. 15 per litre" shall be substituted;

(h) for the entry in column (4) occurring against all the tariff items of headings 2711, 2712, 2713, 2714 and 2715, the entry "14%" shall be substituted;

(17) in Chapter 28,-

(a) for the entry in column (4) occurring against all the tariff items of headings 2801, 2802, 2803, 2804 (except 2804 40 10), 2805,2806,2807,2808,2809,2810,2811,2812,2813,2814,2815,2816,2817,2818,2819,2820,2821, 2822,2823, 2824, 2825, 2826, 2827, 2828, 2829, 2830, 2831, 2832, 2833, 2834, 2835, 2836, 2837, 2839, 2840, 2841, 2842, 2843 and 2844 (except 2844 30 22), the entry "12%" shall be substituted;

(b) in tariff item 2845 90 90, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of heading 2846, the entry "12%" shall be substituted;

(d) in tariff item 2847 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of headings 2848, 2849 and 2850, the entry "12%" shall be substituted;

(f) in tariff item 2852 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(g) for the entry in column (4) occurring against all the tariff items of headings 2853 (except 2853 00 30), the entry "12%" shall be substituted;

(18) in Chapter 29, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(19) in Chapter 30,-

(a) for the entry in column (4) occurring against all the tariff items of heading 3001, the entry "6%" shall be substituted;

(b) in tariff items 3002 20 11 to 3002 30 00, for the entry in column (4), the entry "6%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 3003, 3004 and 3005, for the entry in column (4), the entry "6%" shall be substituted

(d) for the entry in column (4) occurring against all the tariff items of heading 3006 (except 3006 60 10, 3006 60 20, 3006 60 30 and 3006 92 00), for the entry in column 4), the entry "6%" shall be substituted;

(20) in Chapter 31, for the entry in column (4) occurring against all the tariff items of headings 3102, 3103, 3104 and 3105, the entry "12%" shall be substituted;

(21) in Chapter 32 -

(a) for the entry in column (4) occurring against all the tariff items (except 3215 90 10 and 3215 90 20), the entry "12%" shall be substituted;

(b) in tariff items 3215 90 10 and 3215 90 20, for the entry in column (4), the entry "6%" shall be substituted;

(22) in Chapter 33, for the entry in column (4) occurring against all the tariff items of headings 3301, 3302, 3303, 3304, 3305, 3306 and 3307 (except 3307 41 00), the entry "12%" shall be substituted;

(23) in Chapter 34, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(24) in Chapter 35, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(25) in Chapter 36, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(26) in Chapter 37, for the entry in column (4) occurring against all the tariff items of headings 3701, 3702, 3703, 3704 and 3707, for the entry in column (4), the entry "12%" shall be substituted;

(27) in Chapter 38,-

(a) for the entry in column (4) occurring against all the tariff items (except 3824 50 10, 3825 10 00, 3825 20 00 and 3825 30 00), the entry "12%" shall be substituted;

(b) in tariff item 3824 50 10, for the entry in column (4), the entry "6%" shall be substituted;

(28) in Chapter 39 -

(a) for the entry in column (4) occurring against all the tariff items (except 3916 10 20, 3916 20 11, 3916 20 91 and 3916 90 10), the entry "12%" shall be substituted;

(b) in tariff items 3916 10 20, 3916 20 11, 3916 20 91 and 3916 90 10, for the entry in column (4), the entry "6%" shall be substituted;

(29) in Chapter 40 -

(a) for the entry in column (4) occurring against all the tariff items of heading 4002, the entry "12%" shall be substituted;

(b) in tariff items 4003 00 00 and 4004 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 4005, 4006, 4007, 4008 (except 4008 19 10, 4008 21 10 and 4008 29 20), 4009, 4010 and 4011, the entry "12%" shall be substituted;

(d) in tariff items 4012 90 10 to 4012 90 90, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of headings 4013, 4014 (except 4014 10 10 and 4014 10 20), 4015, 4016 and 4017, the entry "12%" shall be substituted;

(30) in Chapter 42, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(31) in Chapter 43, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(32) in Chapter 44,-

(a) for the entry in column (4) occurring against all the tariff items of headings 4401, 4403, 4404, 4406, 4408 (except 4408 10 30, 4408 31 30, 4408 39 30 and 4408 90 20), 4409, 4410, 4411 and 4412, the entry "12%" shall be substituted;

(b) in tariff items 4413 00 00 and 4414 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 4415 and 4416, the entry "12%" shall be substituted;

(d) in tariff item 4417 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of headings 4418, 4419, 4420 and 4421, the entry "12%" shall be substituted;

(33) in Chapter 45, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(34) in Chapter 46, for the entry in column (4) occurring against all the tariff items, the entry "6%" shall be substituted;

(35) in Chapter 47 -

(a) in tariff items 4701 00 00 and 4702 00 00, for the entry in column (4), the entry "6%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of headings 4703 and 4704, the entry "6%" shall be substituted;

(c) in tariff item 4705 00 00, for the entry in column (4), the entry "6%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of heading 4706, the entry "6%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of heading 4707, the entry "12%" shall be substituted;

(36) in Chapter 48 -

(a) after Note 13, the following Note shall be inserted, namely:-

"14. Notwithstanding anything contained in Note 12, if the paper and paper products of headings 4811, 4816 or 4820 are printed with any character, name, logo, motif or format, they shall remain classified under the respective headings as long as such products are intended to be used for further printing or writing.";

(b) for the entry in column (4) occuring against all the tariff items of headling 4802, the entry "6%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headling 4803, the entry "12%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of headings 4804 and 4805, the entry "6%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of heading 4806 (except 4806 20 00 and 4806 40 10), the entry "12%" shall be substituted;

(f) in tariff items 4806 20 00 and 4806 40 10, for the entry in column (4), the entry "6%" shall be substituted;

(g) for the entry in column (4) occurring against all the tariff items of headings 4807 and 4808, the entry "6%" shall be substituted;

(h) for the entry in column (4) occurring against all the tariff items of heading 4809, the entry "12%" shall be substituted;

(i) for the entry in column (4) occurring against all the tariff items of heading 4810, the entry "6%" shall be substituted;

(j) for the entry in column (4) occurring against all the tariff items of heading 4811, the entry "12%" shall be substituted;

(k) in tariff item 4812 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(l) for the entry in column (4) occurring against all the tariff items of headings 4813, 4814 and 4816, the entry "12%" shall be substituted;

(m) in tariff items 4817 10 00 and 4817 20 00, for the entry in column (4), the entry "6%" shall be substituted;

(n) for the entry in column (4) occurring against all the tariff items of headings 4818,4819 (except 4819 2010), 4820, 4821, 4822 and 4823 (except 4823 90 11), the entry "12%" shall be substituted;

(37) in Chapter 49,-

(a) for the entry in column (4) occurring against all the tariff items of heading 4908, the entry "12%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of headings 4909 and 4910, the entry "6%" shall be substituted;

(38) in Chapter 50, for the entry in column (4) occurring against all the tariff items of headings 5004, 5005, 5006 and 5007, the entry "12%" shall be substituted;

(39) in Chapter 51, for the entry in column (4) occurring against all the tariff items of headings 5105, 5106, 5107, 5108, 5109, 5110, 5111, 5112 and 5113, the entry "12%" shall be substituted;

(40) in Chapter 52, for the entry in column (4) occurring against all the tariff items of headings 5204, 5205, 5206, 5207, 5208, 5209, 5210, 5211 and 5212, the entry "12%" shall be substituted;

(41) in Chapter 53, for the entry in column (4) occurring against all the tariff items of headings 5302, 5305, 5306, 5307 (except 5307 10 90), 5308 (except 5308 10 10, 5308 10 20 and 5308 10 90), 5309, 5310 and 5311, the entry "12%" shall be substituted;

(42) in Chapter 54, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(43) in Chapter 55, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(44) in Chapter 56, for the entry in column (4) occurring against all the tariff items of headings 5601, 5602, 5603, 5604, 5605, 5606, 5607, 5608 and 5609, the entry "12%" shall be substituted;

(45) in Chapter 57, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(46) in Chapter 58,-

(a) for the entry in column (4) occurring against all the tariff items of heading 5801 (except 5801 35 00), the entry "12%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of headings 5802, 5803 and 5804 (except 5804 30 00), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of heading 5805, the entry "6%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of heading 5806, the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of heading 5807, the entry "6%" shall be substituted;

(f) for the entry in column (4) occurring against all the tariff items of headings 5808, 5809, 5810 and 5811, the entry "12%" shall be substituted;

(47) in Chapter 59, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(48) in Chapter 60, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(49) in Chapter 61, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(50) in Chapter 62, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(51) in Chapter 63 -

(a) for the entry in column (4) occurring against all the tariff items of headings 6301, 6302, 6303, 6304, 6305, 6306 and 6307, the entry "12%" shall be substituted;

(b) in tariff item 6308 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(52) in Chapter 64, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(53) in Chapter 65 -

(a) for the entry in column (4) occurring against all the tariff items of headings 6501 and 6502, the entry "12%" shall be substituted;

(b) in tariff item 6504 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 6505 and 6506, the entry "12%" shall be substituted;

(d) in tariff item 6507 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(54) in Chapter 66 -

(a) for the entry in column (4) occurring against all the tariff items of heading 6601, the entry "6%" shall be substituted;

(b) in tariff item 6602 00 00, for the entry in column (4), the entry "6%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of heading 6603, the entry "12%" shall be substituted;

(55) in Chapter 67, for the entry in column (4) occurring against all the tariff items of headings 6702, 6703 and 6704, the entry "12%" shall be substituted;

(56) in Chapter 68, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(57) in Chapter 69,-

(a) for the entry in column (4) occurring against all the tariff items (except 6901 00 10 and 6904 10 00), the entry "12%" shall be substituted;

(b) in tariff items 6901 00 10 and 6904 10 00, for the entry in column (4), the entry "6%" shall be substituted;

(58) in Chapter 70,-

(a) for the entry in column (4) occurring against all the tariff items (except 7012 00 00, 7018 10 10, 7018 10 20, 7020 00 11, 7020 00 12 and 7020 00 21), the entry "12%" shall be substituted;

(b) in tariff items 7020 00 11, 7020 00 12 and 7020 00 21, for the entry in column (4), the entry "6%" shall be substituted;

(59) in Chapter 71 -

(a) for Note 13, the following Note shall be substituted, namely:-

'13. For the purposes of headings 7113 and 7114, the processes of affixing or embossing trade name or brand name on articles of jewellery or on articles of goldsmiths' or silversmiths' wares of precious metal or of metal clad with precious metal, shall amount to "manufacture".';

(b) for the entry in column (4) occurring against all the tariff items of heading 7101, 7103, 7104 (except 7104 10 00), 7105 and 7106, the entry "12%" shall be substituted;

(c) in tariff item 7104 10 00, for the entry in column (4), the entry "6%" shall be substituted;

(d) in tariff item 7107 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of heading 7108, the entry "12%" shall be substituted;

(f) in tariff item 7109 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(g) for the entry in column (4) occurring against all the tariff items of heading 7110, the entry "12%" shall be substituted;

(h) in tariff item 7111 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(i) for the entry in column (4) occurring against all the tariff items of headings 7112, 7113, 7114, 7115 and 7116, the entry "12%" shall be substituted;

(j) for the entry in column (4) occurring against all the tariff items of heading 7117, the entry "6%" shall be substituted ;

(k) for the entry in column (4) occurring against all the tariff items of heading 7118, the entry "12%" shall be substituted ;

(60) in Chapter 72 -

(a) after Note 5, the following Note shall be inserted, namely:-

'6. In relation to the products of heading 7208, the process of oiling and pickling shall amount to "manufacture".';

(b) for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(61) in Chapter 73, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(62) in Chapter 74,-

(a) in headings 7401, 7402 and 7403, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(b) in heading 7404 -

(i) in tariff item 7404 00 11, for the entry in column (4), the entry "12%" shall be substituted;

(ii) in tariff item 7404 00 12 -

(A) in the entry in column (2), for the words "ISRI code word 'Palms' ", the following words shall be substituted, namely:-

"ISRI code word 'Palms';

miscellaneous copper-containing skimmings, grindings, ashes, irony brass and copper, residues and slags covered by ISRI code word 'Drove';

copper wire scrap with various types of insulation covered by ISRI code word 'Druid' ";

(B) for the entry in column (4), the entry "12%" shall be substituted;

(iii) in tariff item 7404 00 19 and 7404 00 21, for the entry in column (4), the entry "12%" shall be substituted;

(iv) in tariff item 7404 00 22 -

(A) in the entry in column (2), for the words "ISRI code word 'Parch' ", the following words shall be substituted, namely:-

"ISRI code word 'Parch';

high grade-low lead bronze/brass solids covered by ISRI code word 'Eland';

high lead bronze solids and borings covered by ISRI code word 'Elias';

clean fired 70/30 brass shell cases free of primers and any other foreign material covered by ISRI code word 'Lace';

clean fired 70/30 brass shell cases containing the brass primers, and containing no other foreign material covered by ISRI code word 'Lady';

clean fired 70/30 brass shells free of bullets, iron and any other foreign material covered by ISRI code word 'Lake';

clean muffled (popped) 70/30 brass shells free of bullets, iron and any other foreign material covered by ISRI code word 'Lamb'";

(B) for the entry in column (4), the entry "12%" shall be substituted;

(v) in tariff items 7404 00 23 and 7404 00 29, for the entry in column (4), the entry "12%" shall be substituted;

(c) in tariff item 7405 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(d) in headings 7406, 7407, 7408, 7409, 7410, 7411 and 7412, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(e) in tariff item 7413 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(f) for the entry in column (4) occurring against all the tariff items of headings 7415, 7418 and 7419, the entry "12%" shall be substituted;

(63) in Chapter 75 -

(a) for the entry in column (4) occurring against all the tariff items of headings 7501 and 7502, the entry "12%" shall be substituted;

(b) in tariff item 7503 00 10,-

(A) in the entry in column (2), for the words "other floating structures", the following words shall be substituted, namely:-

"other floating structures;

nickel-iron batteries to be sold free of crates, copper terminal connectors and excess liquid, must be free of nickel cadmium batteries covered by ISRI code word 'Vaunt'";

(B) for the entry in column (4), the entry "12%" shall be substituted;

(c) in tariff items 7503 00 90 and 7504 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of headings 7505, 7506, 7507 and 7508, the entry "12%" shall be substituted;

(64) in Chapter 76,-

(a) after Note 2, the following Note shall be inserted, namely:-

'3. In relation to the products of heading 7607, the process of cutting, slitting and printing of aluminum foils shall amount to "manufacture".';

(b) for the entry in column (4) occurring against all the tariff items of heading 7601, the entry "12%" shall be substituted;

(c) in heading 7602,-

(i) in tariff item 7602 00 10,-

(A) in column (2),-

(I) for the words "ISRI code word 'Talap' ", the words "ISRI code word 'Talc' "shall be substituted;

(II) for the words "ISRI code word Tanri' ", the words "ISRI code word 'Tann' "shall be substituted;

(III) for the words "old aluminium foil covered by ISRI code word Testy'", the words "new aluminium foil covered by ISRI code word Tetra' old aluminium foil covered by ISRI code word 'Tesla';" shall be substituted;

(IV) for the word "ISRI code word Twang'", the following words and brackets shall be substituted, namely;-

"ISRI code word 'Twang';

aluminium auto or truck wheels covered by ISRI code word 'Troma';

fragmentizer aluminium scrap from automobile shredders covered by ISRI code word 'Tweak';

burnt Fragmentizer aluminium scrap (from automobile shredders) covered by ISRI code word 'Twire';

shredded non-ferrous scrap (predominantly aluminium) covered by ISRI code word 'Zorba';

aluminium drosses, spatterns, spellings, skimmings and sweepings covered by ISRI code word 'Thirl';

new production aluminium extrusions covered by ISRI code word 'Tata';

all aluminium radiators from automobiles covered by ISRI code word 'Tally';

aluminium extrusions '10/10' covered by ISRI code word 'Toto';

aluminium extrusions dealer grade covered by the word 'Tutu'";

(B) for the entry in column (4), the entry "12%" shall be substituted;

(ii) in tariff item 7602 00 90, for the entry in column (4), the entry "12% shall be substituted;

(iii) for the entry in column (4), occurring against all the tariff items of headings 7603, 7604, 7605, 7606, 7607 and 7608, the entry "12%" shall be substituted;

(iv) in tariff item 7609 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(v) for the entry in column (4), occurring against all the tariff items of heading 7610, the entry "12%" shall be substituted;

(vi) in tariff item 7611 00 00, for the entry in column (4), the entry "12% shall be substituted;

(vii) for the entry in column (4) occurring against all the tariff items of headings 7612, 7613, 7614, 7615 and 7616, the entry "12%" shall be substituted;

(65) in Chapter 78,-

(a) for the entry in column (4) occurring against all the tariff items of heading 7801, the entry "12%" shall be substituted;

(b) in tariff item 7802 00 10 -

(i) in the entry in column (2), for the words "ISRI code word 'Roses'", the following words shall be substituted, namely:-

"ISRI code word 'Roses';

lead battery plates whether automotive, industrial or mixed covered by ISRI code word 'Rails';

battery lugs free of scrap lead, wheel weights, battery plates, rubber or plastic case material and other foreign material covered by ISRI code word 'Rakes';

lead covered copper cable free of armoured covered cable and foreign material covered by ISRI code word 'Relay';

lead dross covered by ISRI code word 'Rents';

(ii) for the entry in column (4), the entry "12%" shall be substituted;

(c) in tariff item 7802 00 90, for the entry in column (4), the entry "12%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of headings 7804 and 7806, the entry "12%" shall be substituted;

(66) in Chapter 79-

(a) for the entry in column (4) occurring against all the tariff items of heading 7901, the entry "12%" shall be substituted;

(b) in tariff item 7902 00 10-

(i) in the entry in column (2), for the word 'oxidation', the following words shall be substituted, namely:-

"oxidation;

unsorted zinc die cast scrap produced from automobile fragmentizers containing about 55% zinc-bearing scrap covered by ISRI code word 'Scroll'";

(ii) for the entry in column (4), the entry "12%" shall be substituted;

(c) in tariff item 7902 00 90, for the entry in column (4), the entry "12%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of headings 7903,7904, 7905 and 7907, the entry "12%" shall be substituted;

(67) in Chapter 80, for the entry in column (4) occurring against all the tariff items of headings 8001, 8002, 8003 and 8007, the entry "12%" shall be substituted;

(68) in Chapter 81, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(69) in Chapter 82 -

(a) for the entry in column (4) occurring against all the tariff items of headings 8201, 8202, 8203, 8204, 8205, 8206, 8207, 8208 and 8209, the entry "12%" shall be substituted;

(b) in tariff item 8210 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 8211 and 8212, the entry "12%" shall be substituted;

(d) in tariff item 8213 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of heading 8214, the entry "12%" shall be substituted;

(f) for the entry in column (4) occurring against all the tariff items of heading 8215, the entry "6%" shall be substituted;

(70) in Chapter 83, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(71) in Chapter 84 -

(a) for the entry in column (4) occurring against all the tariff items of headings 8401 to 8423, 8424 (except 8424 81 00), 8425 to 8431, 8434, 8435, 8438 to 8451 and 8452 (except 8452 10 12, 8452 10 22, 8452 30 10, 8452 30 90, 8452 90 11, 8452 90 19, 8452 90 91 and 8452 90 99), the entry "12%" shall be substituted;

(b) in tariff items 8452 10 12, 8452 10 22, 8452 30 10, 8452 30 90, 8452 90 11, 8452 90 19, 8452 90 91 and 8452 90 99, for the entry in column (4), the entry "6%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 8453 to 8468, 8469 (except 8469 00 30 and 8469 00 40), 8470 to 8478 and 8479 (except 8479 89 91 and 8479 89 92), the entry "12%" shall be substituted;

(d) in tariff item 8479 89 92, for the entry in column (4), the entry "6%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of headings 8480 to 8484, 8486 and 8487, the entry "12%" shall be substituted;

(72) in Chapter 85,-

(a) after Note 10, the following Note shall be inserted, namely:-

'11. The processes of matching, batching and charging of Lithium ion batteries or the making of battery packs shall amount to "manufacture".';

(b) for the entry in column (4) occurring against all the tariff items of headings 8501 to 8519, 8521, 8522, 8523, 8525 to 8533, the entry "12%" shall be substituted;

(c) in tariff item 8534 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of headings 8535 to 8547 the entry "12%" shall be substituted;

(e) in tariff item 8548 90 00, for the entry in column (4), the entry "12%" shall be substituted;

(73) in Chapter 86

(a) for the entry in column (4) occurring against all the tariff items of headings 8601 to 8606 (except 8604 00 00), the entry "6%" shall be substituted;

(b) in tariff item 8604 00 00, and n all the tariff items of headings 8607, 8608 and in tariff item 8609 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(74) in Chapter 87,-

(a) for the entry in column (4) occurring against all the tariff items of heading 8701, the entry "12%" shall be substituted;

(b) in tariff items 8702 10 11, 8702 10 12 and 8702 1019, for the entry in column (4), the entry "27%" shall be substituted;

(c) in tariff items 8702 10 91 to 8702 10 99, for the entry in column (4), the entry "12%" shall be substituted;

(d) in tariff items 8702 90 11 and 8702 90 12, for the entry in column (4), the entry "27%" shall be substituted;

(e) in tariff item 8702 90 13, for the entry in column (4), the entry "12%" shall be substituted;

(f) in tariff item 8702 90 19, for the entry in column, (4), the entry "27%" shall be substituted;

(g) in tariff items 8702 90 20 to 8702 90 99, for the entry in column (4), the entry "12%" shall be substituted;

(h) in tariff item 8703 10 10, for the entry in column (4), the entry "12%" shall be substituted;

(i) in tariff items 8703 10 90 to 8703 22 99, for the entry in column (4), the entry "24%" shall be substituted;

(j) in tariff item 8703 23 10, for the entry in column (4), the entry "27%" shall be substituted;

(k) in tariff item 8703 23 20, for the entry in column (4), the entry "24%" shall be substituted;

(l) in tariff items 8703 23 91, 8703 23 92, 8703 23 99 and 8703 24 10, for the entry in column (4), the entry "27%" shall be substituted;

(m) in tariff item 8703 24 20, in the entry in column (4), the entry "24%" shall be substituted;

(n) in tariff items 8703 24 91 to 8703 24 99, for the entry in column (4), the entry "27%" shall be substituted;

(o) in tariff items 8703 31 10 to 8703 31 99, for the entry in column (4), the entry "24%" shall be substituted;

(p) in tariff item 8703 32 10, for the entry in column (4), the entry "27%" shall be substituted;

(q) in tariff item 8703 32 20, for the entry in column (4), the entry "24%" shall be substituted;

(r) in tariff items 8703 32 91 to 8703 33 10, for the entry in column (4), the entry "27%" shall be substituted:

(s) in tariff item 8703 33 20, for the entry in column (4), the entry "24%" shall be substituted;

(t) in tariff items 8703 33 91 to 8703 33 99, for the entry in column (4), the entry "27%" shall be substituted;

(u) in tariff item 8703 90 10, for the entry in column (4), the entry "12%" shall be substituted;

(v) in tariff item 8703 90 90, for the entry in column (4), the entry "27%" shall be substituted;

(w) in tariff item 8704 10 10, for the entry in column (4), the entry "12%" shall be substituted;

(x) in tariff item 8704 10 90, for the entry in column (4), the entry "24%" shall be substituted;

(y) in tariff items 8704 21 10 to 8704 31 20, for the entry in column (4), the entry "12%" shall be substituted;

(z) in tariff item 8704 31 90, for the entry in column (4), the entry "24%" shall be substituted;

(za) in tariff item 8704 32 11, for the entry in column (4), the entry "12%" shall be substituted;

(zb) in tariff items 8704 32 19 and 8704 32 90, for the entry in column (4), the entry "24%" shall be substituted;

(zc) in tariff items 8704 90 11 and 8704 90 12, for the entry in column (4), the entry "12%" shall be substituted;

(zd) in tariff items 8704 90 19 and 8704 90 90, for the entry in column (4), the entry "24%" shall be substituted;

(ze) for the entry in column (4) occurring against all the tariff items of heading 8705, the entry "12%" shall be substituted;

(zf) in tariff items 8706 00 11 and 8706 00 19, for the entry in column (4), the entry "12%" shall be substituted;

(zg) in tariff item 8706 00 21, for the entry in column (4), the entry "24%" shall be substituted;

(zh) in tariff item 8706 00 29, for the entry in column (4), the entry "15%" shall be substituted;

(zi) in tariff item 8706 00 31, for the entry in column (4), the entry "12%" shall be substituted;

(zj) in tariff item 8706 00 39, for the entry in column (4), the entry "24%" shall be substituted;

(zk) in tariff item 8706 00 41, for the entry in column (4), the entry "12%" shall be substituted;

(zl) in tariff item 8706 00 42, for the entry in column (4), the entry "15%" shall be substituted;

(zm) in tariff items 8706 00 43 and 8706 00 49, for the entry in column (4), the entry "25%" shall be substituted;

(zn) in tariff item 8706 00 50, for the entry in column (4), the entry "12%" shall be substituted;

(zo) for the entry in column (4) occurring against all the tariff items of headings 8707 to 8709, the entry "12%" shall be substituted;

(zp) in tariff item 8710 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(zq) for the entry in column (4) occurring against all the tariff items of headings 8711, 8712, 8714, 8715 and 8716, the entry "12%" shall be substituted;

'75) in Chapter 88,-

(a) for the entry in column (4) occurring against all the tariff items of headings 8801, the entry "6%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of headings 8802 (except 8802 60 00) and 8803, the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 8804 and 8805, the entry "6%" shall be substituted;

(76) in Chapter 89 -

(a) for the entry in column (4) occurring against all the tariff items of heading 8901, the entry "6%" shall be substituted;

(b) for the entry in column (4) occurring against all the tariff items of heading 8903, the entry "12%" shall be substituted;

(c) in tariff item 8904 00 00, for the entry in column (4), the entry "6%" shall be substituted;

(d) for the entry in column (4) occurring against all the tariff items of heading 8905, the entry "6%" shall be substituted;

(e) in tariff item 8906 90 00, for the entry in column (4), the entry "6%" shall bo substituted;

(f) for the entry in column (4) occurring against all the tariff items of heading 8907, the entry "12%" shall be substituted;

(g) in tariff item 8908 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(77) in Chapter 90 -

(a) for the entry in column (4) occurring against all the tariff items of heading 9001 (except 9001 40 10, 9001 40 90 and 9001 50 00), the entry "12%" shall be substituted;

(b) in tariff items 9001 40 10, 9001 40 90 and 9001 50 00, for the entry in column (4), the entry "6%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 9002 to 9008, 9010 to 9016 and 9017 (except 9017 20 10, 9017 20 20, 9017 20 30 and 9017 20 90), the entry "12%" shall be substituted;

(d) in tariff items 9017 20 10, 9017 20 20, 9017 20 30 and 9017 20 90, for the entry in column (4), the entry "6%" shall be substituted;"

(e) for the entry in column (4) occurring against all the tariff items of headings 9018 and 9019, the entry "12%" shall be substituted;

(f) in tariff item 9020 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(g) for the entry in column (4) occurring against all the tariff items of headings 9022 to 9032, the entry "12%" shall be substituted;

(h) in tariff item 9033 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(78) in Chapter 91, for the entry in column (4) occurring against all the tariff items, the entry "12%" shall be substituted;

(79) in Chapter 92,-

(a) for the entry in column (4) occurring against all the tariff items of headings 9201, 9202 and 9205, the entry "12%" shall be substituted;

(b) in tariff item 9206 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 9207 to 9209, the entry "12%" shall be substituted;

(80) in Chapter 93,-

(a) for the entry in column (4) occurring against all the tariff items of heading 9301, the entry "6%" shall be substituted;

(b) in tariff item 9302 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of heading 9303, the entry "12%" shall be substituted;

(d) in tariff item 9304 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of headings 9305 and 9306, the entry "12%" shall be substituted;

(f) in tariff item 9307 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(81) in Chapter 94,-

(a) for the entry in column (4) occurring against all the tariff items (except 9405 50 10), the entry "12%" shall be substituted;

(b) in tariff item 9405 50 10, for the entry in column (4), the entry "6%" shall be substituted;

(82) in Chapter 95, for the entry in column (4) occurring against all the tariff items of headings 9503 to 9508 (except 9508 10 00), the entry "12%" shall be substituted;

(83) in Chapter 96 -

(a) for the entry in column (4) occurring against all the tariff items of headings 9601 to 9603, the entry "12%" shall be substituted;

(b) in tariff item 9604 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(c) for the entry in column (4) occurring against all the tariff items of headings 9605, 9606 (except 9606 21 00, 9606 22 00, 9606 29 10, 9606 29 90 and 9606 30 10), 9607 and 9608, the entry "12%" shall be substituted;

(d) in tariff items 9606 21 00, 9606 22 00, 9606 29 10, 9606 29 90 and 9606 30 10, for the entry in column (4), the entry "6%" shall be substituted;

(e) for the entry in column (4) occurring against all the tariff items of heading 9609, the entry "6%" shall be substituted;

(f) in tariff item 9611 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(g) for the entry in column (4) occurring against all the tariff items of headings 9612 and 9613, the entry "12%" shall be substituted;

(h) in tariff item 9614 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(i) for the entry in column (4) occurring against all the tariff items of headings 9616 and 9617, the entry "12%" shall be substituted;

(j) in tariff item 9618 00 00, for the entry in column (4), the entry "12%" shall be substituted;

(k) for the entry in column (4) occurring against all the tariff items of heading 9619, the entry "6%" shall be substituted.

THE EIGHTH SCHEDULE

(See section 144)

Provisions of CENVAT Credit Rules, 2004 to be amended	**Amendment**	**Period of effect of amendment**
(1)	**(2)**	**(3)**
Sub-rule (6A) of rule 6 of the CENVAT Credit Rules, 2004 as inserted by CENVAT Credit (Amendment) Rules, 2011 vide notification number G.S.R. 134(E), dated the 1st March, 2011 [3/2011-Central Excise (N.T.), dated the 1st March, 2011].	In the CENVAT Credit Rules, 2004, in rule 6, after sub-rule (6), the following sub-rule shall be inserted with effect from the 10th day of February, 2006, namely:- *"(6A) The provisions of sub-rules (1), (2), (3) and (4) shall not be applicable in case the taxable services are provided, without payment of service tax, to a Unit in a Special Economic Zone or to a Developer of a Special Economic Zone for their authorised operations.".*	From 10th February, 2006 to 28th February, 2011.

THE NINTH SCHEDULE

(See section 152)

In the Seventh Schedule to the Finance Act, 2001, in the entry in column (2) occurring against the tariff items 2402 20 10, 2402 20 20, 2402 20 30 and 2402 20 40, for the figures and word "60 millimetres", the figures and word "65 millimetres" shall respectively be substitutd.

THE TENTH SCHEDULE

(See section 154)

In the Seventh Schedule to the Finance Act, 2005, in the entry in column (2) occurring against the tariff items 2402 20 10, 2402 20 20, 2402 20 30 and 2402 20 40, for the figures and word "60 millimetres", the figures and word "65 millimetres" shall respectively be substituted.

(V K BHASIN)
Secy. to the Govt. of India

ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆದೇಶಾನುಸಾರ ಮತ್ತು ಅವರ ಹೆಸರಿನಲ್ಲಿ,
ಆರ್. ಆಂಜಿನಿ,
ಸಹಾಯಕ ಪ್ರಾರೂಪಕಾರ ಮತ್ತು ಪದನಿಮಿತ್ತ
ಸರ್ಕಾರದ ಉಪಕಾರ್ಯದರ್ಶಿ,
ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಇಲಾಖೆ.

P.R. 52

ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಸಚಿವಾಲಯ

ಅಧಿಸೂಚನೆ

ಸಂಖ್ಯೆ: ಸಂವ್ಯಶಾಇ 33 ಕೇನಿಪ್ರ 2012, ಬೆಂಗಳೂರು, ದಿನಾಂಕ: 21ನೇ ಆಗಸ್ಟ್, 2012.

2012ನೇ ಸಾಲಿನ 30–04–2012 ದಿನಾಂಕದ ಭಾರತ ಸರ್ಕಾರದ ಗೆಜೆಟ್‌ನ ವಿಶೇಷ ಸಂಚಿಕೆಯ ಭಾಗ–II ಸೆಕ್ಷನ್ 3(ii) ರಲ್ಲಿ ಪ್ರಕಟವಾದ ಈ ಕೆಳಕಂಡ S.O. 942(E) ದಿನಾಂಕ : 30–04–2012 ಅನ್ನು ಸಾರ್ವಜನಿಕರ ಮಾಹಿತಿಗಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರದಲ್ಲಿ ಮರು ಪ್ರಕಟಿಸಲಾಗಿದೆ.

MINISTRY OF FINANCE

(Department Revenue)

(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 30th April, 2012

S.O. 942(E) :-In exercise of the powers conferred by clause (47) of section 10 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income –tax Rules, 1962, namely :-

1. (1). These rules may be called the Income –tax (5the Amendment) Rules, 2012.

(2). They shall come into force from the date of their publication in the Official Gazette.

2. In the Income tax Rules, 1962, after rule 2E, the following rule shall be inserted, namely :-

“Guidelines for setting up an Infrastructure Debt Fund for the purpose of exemption under clause (47) of Section 10.

2F. (1) The Infrastructure Debt Fund shall be set up as a Non-Banking Financial Company conforming to and satisfying the conditions provided by the Reserve Bank of Indian in the Infrastructure Development Fund-Non Banking Financial Companies (Reserve Bank) Directions 2011, vide notification No. DNBS. 233/CGM (US) 2011, dated : the 21st November, 2011.

(2) The funds of Infrastructure Debt Fund shall be invested only in the Public Private Partnership Infrastructure Projects and Post Commencement Operation Date Infrastructure Projects with have completed at least one year of satisfactory commercial operation and such Infrastructure Debt Fund is a party to tripartite agreement with the concessionaire and the project authority for ensuring compulsory buy out and termination payment.

(3) The Infrastructure Debt Fund shall issue rupee denominated bonds or foreign currency bonds in accordance with the directions of Reserve Bank of India (RBI) and the relevant regulations under the Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, as amended from time to time.

(4) The terms and conditions of any bond issued by the Infrastructure Debt Fund shall be in accordance with the said directions of the Reserve Bank of India and the regulations referred to in sub-rule (3).

(5) In case of an investor in the aforesaid bond being a non-resident, the original or initial maturity of bond, at time of first investment by such non-resident investor, shall not be less than a period of five years.

Provided that the investment made by a non-resident investor in such bonds shall be subject to a lock in period of not less than three years, but the non-resident investor may transfer the bond to another non-resident investor within such lock in period.

(6) The investment made by the Infrastructure Debt Fund in an individual project or project belonging to a group at any time, shall not exceed twenty percent, of the corpus of the fund.

(7) No investment shall be made by the Infrastructure Debt Fund in any project where its sponsor or the associate enterprise or the group of such sponsor has a substantial interest.

(8) The Infrastructure Debt Fund shall file its return of income as required by sub-section (4C) of section 139 on or before the due date.

(9) In case the Infrastructure Debt Fund does not fulfill any of the conditions provided in this rule or directions of the Reserve Bank of India, all provisions of the Act shall apply as if it is not an Infrastructure Debt Fund referred to in clause (47) of section 10 of the Act.

Explanation.-For the purpose of this rule.-

(i) "associate enterprise" shall have the same meaning as assigned to it in section 92A of the Act ;

(ii) "concern" shall have the same meaning as in clause(a) of Explanation 3 of sub-section (22) of section 2 of the Act ;

(iii) "concessionaire", "tripartite agreement" and "project authority" respectively shall have the same meaning as assigned to them in the Infrastructure Debt Fund-Non-Banking Financial Company (Reserve Bank) Directions, 2011 ;

(iv) "corpus" means the total funds of the Infrastructure Debt Fund raiser for the purpose of investment ;

(v) "Group" means a group as defined in clause (mm) of section 2 of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

(vi)a person shall be deemed to have substantial interest in –

(a) A company if he is the beneficial owner (including beneficial ownership held by one or more of his relatives, in case the person is on individual) of shares (not being the shares entitled to a fixed rate of dividend whether with or without a right to participate in profits) holding not less than 10 percent of the voting power ; or

(b) A concern other than a company if he is, at any time during the previous year, beneficially entitled to not less than 20 percent of the income of such concern.

(vii) "relative", in relation to an individual, means-

(a) spouse of the individual ;

(b) brother or sister of the individual ;

(c) brother or sister of the spouse of the individual ;

(d) brother or sister of either of the portents of the individual ;

(e) any lineal ascendant or descendant of the individual ;

(f) any lineal ascendant or descendant of the spouse of the individual ;

(g) spouse of the persons referred to in sub-clauses (b) to (f) ; or

(h) any lineal descendant of a brother or sister of either the individual or of the spouse of the individual ;

(viii) "Sponsor" means a non-banking financial company, or a bank which is allowed to act as sponsor of Infrastructure Debt Fund in accordance with the directions of Reserve Bank of India."

[Notification No. 16/2012/F. No. 149/72/2011-SO (TPL)]

VIVEK ANAND OJHA,

Under Secretary

Note: The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i), vide number S.O. 969, dated the 26th March, 1962 and was last amended by Income-tax (4th Amendment) Rules, 2012 vide Notification S.O. No. 694(E) dated 30-3-2012.

ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆದೇಶಾನುಸಾರ ಮತ್ತು ಅವರ ಹೆಸರಿನಲ್ಲಿ,

ಆರ್. ಆಂಜಿನಿ,

ಸಹಾಯಕ ಪ್ರಾರೂಪಕಾರ ಮತ್ತು ಪದನಿಮಿತ್ತ

ಸರ್ಕಾರದ ಉಪ ಕಾರ್ಯದರ್ಶಿ,

P.R. 66 ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಇಲಾಖೆ.

ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಸಚಿವಾಲಯ

ಅಧಿಸೂಚನೆ

ಸಂಖ್ಯೆ: ಸಂವ್ಯಶಾಇ 44 ಕೇನಿಪ್ರ 2012, ಬೆಂಗಳೂರು, ದಿನಾಂಕ: 30ನೇ ಅಕ್ಟೋಬರ್, 2012

2012ನೇ ಸಾಲಿನ 31–07–2012 ದಿನಾಂಕದ ಭಾರತ ಸರ್ಕಾರದ ಗೆಜೆಟ್‌ನ ವಿಶೇಷ ಸಂಚಿಕೆಯ ಭಾಗ–II ಸೆಕ್ಷನ್ 3(1) ರಲ್ಲಿ ಪ್ರಕಟವಾದ ಈ ಕೆಳಕಂಡ S.O. 1723(E)

ದಿನಾಂಕ : 31–07–2012 ಅನ್ನು ಸಾರ್ವಜನಿಕರ ಮಾಹಿತಿಗಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರದಲ್ಲಿ ಮರು ಪ್ರಕಟಿಸಲಾಗಿದೆ.

MINISTRY OF WOMEN AND CHILD DEVELOPMENT

NOTIFICATION

New Delhi, the 31st July, 2012

S.O. 1723(E) :- In pursuance of Section 4 of the Commissions for Protection of Child Rights Act, 2005 (4 of 2006), the Government of India hereby appoints the following as Member of the National Commission for Protection of Child Rights in the respective fields :-

Juvenile Justice or care of neglected or marginalized children or children with disabilities

(i) Ms. Nina P. Nayak,
2, Chitrakut Apartments, 18th Cross Road,
Malleshwaram West, Bangalore-560055.

Child Health, Care, Welfare or Child Development

(ii) Dr. Vandana Prasad,
L91, Sector 25,Noida, U.P.-201301

Ms. Mina P. Nayak will hold office for a period of three years with effect from the date of taking charge or till she attains the age of 60 years or until further orders, whichever is earlier. Dr. Vandana Prasad will hold office up to 21st November, 2013 with effect from the date of taking charge or until further orders whichever is earlier.

[No. 3-11/2010-CW-1]
VIVEK JOSHI, Jt. Secy.

ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆದೇಶಾನುಸಾರ ಮತ್ತು ಅವರ ಹೆಸರಿನಲ್ಲಿ,
ಜಿ. ಶ್ರೀಧರ್,
ಸಹಾಯಕ ಪ್ರಾರೂಪಕಾರ ಮತ್ತು ಪದನಿಮಿತ್ತ
ಸರ್ಕಾರದ ಉಪ ಕಾರ್ಯದರ್ಶಿ,
ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಇಲಾಖೆ.

P.R. 67